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Gulf Property

The region's premier monthly for lifestyle, real estate and construction

WE ARE IN THE 10TH YEAR!
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Indians remain top foreign investors in Dubai real estate

Dubai GDP grows 3.2% to US$105 bn

Land deals grow 6% to Dh285 bn in 2017

Dubai Property Festival to boost realty

COVER STORY
Atif Rahman, Director and Partner, Danube Properties

Atif Rahman:
Man with a midas touch

معرض مدن المستقبل

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EDITORIAL

Will the market take off in 2018?

A lot depends on the answer to his billion-dollar question. Which way will the market swing. As it stands, the market is looking up big time...

Burj Khalifa did not greet the new year with fireworks, but with a laser show displaying images of the late HH Sheikh Zayed bin Sultan Al Nahyan, Founder and President of the UAE from 1971 till his sad demise in 2004. The UAE is celebrating 2018 as the Year of Zayed – as a mark of respect to the late leader who was born in 1918 – 100 years ago. The management and staffs of *Gulf Property* joins the UAE nationals and residents in offering their deepest respect to the UAE's founding father and recall his contribution to the UAE and the world.

Looking at 2018 – the Year of Zayed – we see lots of optimism. Although a lot of people had apprehensions about the new regulations especially the introduction of the value-added tax (VAT) and its effect, things appear to be fine. The inflation due to VAT might not have been felt – had the retailers and food outlets not raised prices – which, coupled with VAT might be felt by most consumers. Although the authorities have been warning the retailers not to increase price, the damage has already been done by most retailers.

However, for consumers the good news is that the declining rents might help to ease the inflationary pressure. Rent and property prices continue to slide due to a change in the demand-supply situation – where increased supplies continue to put pressure on prices and rents.

The market is currently titled towards property buyers and tenants and they are currently spoilt for choices. These are good times for the consumers. However, if the developers and brokers attract tenants to buy homes, the opportunities in the current market could create a win-win situation for all. Let's see how things shape up.

As ***Gulf Property*** continues its difficult journey in its tenth year of uninterrupted publication in what could be best described as the most challenging times in the history of real estate in Dubai, we remain committed to future and will continue to support the real estate sector with objective coverage.

Let us start 2018 by wishing all a very happy new year!

– T. Akhtar

CONTENTS

40 COVERSTORY

EXECUTIVEOPINION

FOCALPOINT

COVERSTORY

56 REALTYFESTIVAL

NEWSUPDATE

70 TALLTOWERS

INTERNATIONAL

REGULARFEATURES

GULF PROPERTY
The region's premier monthly for lifestyle, real estate, construction and building materials

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CIRCULATION
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VAT spurs trade license activities

The introduction of the Value-Added Tax (VAT), has spurred trade license renewal activities as Dubai Economy – the trade licence issuer in Dubai – recorded 24,746 transactions, including 11,623 trade licence renewals in November 2017 – a new record.

For mandatory and voluntary VAT registration, all companies have to renew their trade licences and attach the valid documents, as a prerequisite to VAT registration.

"The Business Registration & Licensing (BRL) sector in Dubai Economy witnessed a record number of transactions over November 2017, reflecting a strong confidence in the emirate's competitiveness and sustainable growth among businesses and investors in diverse industries. 'Business Map,' the digital information platform of Dubai Economy, reported that more than 24,746 BRL transactions were concluded and 1,666 new business licenses were issued in November," Dubai Economy said in a statement.

The 'Business Map' platform seeks to reflect the economic climate in Dubai by providing vital data on each category of licenses and investor trends on a monthly basis. The report provides extensive data that mirror Dubai's business realities including accurate information on the number of new licenses and their sector-wise distribution.

Renewal transactions accounted for 11,623 of the transactions in November, Initial Approvals amounted to 2,170 in November 2017, and there were 3,261 renewals. Commercial permit procedures accounted for 2,783 transactions while there were also 1,774 related to Auto Renewal, 149 Instant Licenses and 63 eTrader licenses were also handled by BRL during the month.

"Overall BRL activity in November shows that Dubai economy maintained its growth and achieved a qualitative shift in various categories. Transactions related to Commercial licenses topped the list with 59.2 per cent, Professional licenses stood at 38.5 per cent, Industrial licenses accounted for 1.2 per cent and Tourism had a share of 1.1 per cent. The outsourced service centres of Dubai Economy also registered strong activity in November, completing 19,997 transactions and underlining their role in facilitating service delivery," the statement says.

24,746

number of transactions recorded by Dubai Economy in November

Region-wise, Bur Dubai had the lion share of licenses (762) issued in November, Deira had 721, New Dubai area had 177 and Hatta had six.

The top ten sub-regions accounted for 53.2 per cent of the total licenses among all the regions in Dubai. These were: Burj Khalifa (12%), New Dubai (10%), Al Marar (9%), Port Said (4.3%), Naif (3.5%), Al Mankhool (3.5%), Hor Al Anz (3.1%), Trade Centre 1 (2.9%), Al Barsha 1 (2.8%) and Al Garhoud (2.1%).

The various categories of BRL activity in November 2017 also indicate economic activity and investments almost equally distributed across different areas and vital sectors in Dubai, thus confirming the significant achievements the emirate has made in terms of sustainability.

Commercial and repair services accounted for 23.5% of activities covered by the transactions during the period, followed by real estate, leasing and business services (22.4%), building and construction activity (14.9%), community and personal services (11.3%), hospitality and hotels (5.8%), manufacturing (2.5%), Transportation, storage and communications (2.4%), financial brokerage (2.3%), and health and education (0.5%) ■

Cost of consumer products and services will go up by 5 per cent by January due to the introduction of a 5 per cent value-added tax (VAT)

Dubai asks traders not to hike prices for VAT

The Commercial Compliance and Consumer Protection (CCCP) department at Dubai Economy, the issuer of trade licenses in Dubai, has called on retailers in Dubai not to use the VAT (value added tax) to manipulate prices and add VAT to their prices displayed effective 01 January 2018.

Dubai Economy will roll out various campaigns in the coming days to ensure that traders do not increase their prices before VAT is implemented.

The initiative is part of protecting consumer rights and enhancing transparency across retailing in line with Dubai's reputation as a competitive business destination.

Retailers have to display the VAT applicable separately on every invoice from 01 January 2018 onwards and Dubai Economy will impose fines on those who do not abide by the new regulation. Dubai Economy will continue to conduct field inspections and also act on complaints received from consumers against retailers who are found to have increased prices ahead of VAT.

Dh12 bn revenues expected by the UAE Government from Value-Added Tax (VAT)

"Dubai Economy is committed to protecting consumers against unscrupulous trade practices. Retailers should comply with their price list and anyone who increase prices without any justification will incur fine," said Mohammed Ali Rashid Lootah, CEO of CCCP.

Lootah also told retailers not to manipulate the prices of VAT-exempted products or the five per cent VAT applicable.

The CCCP task force is already monitoring market activity to ensure that retailers do not raise prices before the beginning of 2018.

"We call on consumers to watch out and ensure that there is no price manipulation or non-compliance with the laws.

"Consumers must ask for service and sale invoices and retain a copy with them. Complaints if any can be raised on the Ahlan Dubai number 600 54 5555, displayed across all retail establishments," added Lootah.

Limitless repays Dh412m debts

Dubai-based real estate developer Limitless said, it closed out 2017 with an early payment of Dh412.4 million to banks and trade creditors on December 21, 2017.

The payment – a week ahead of the due date – comprises Dh297.1 million to banks and Dh115.3 million to trade creditors. Once made, Limitless will have repaid almost half of its outstanding bank debt and trade creditor obligations.

Thursday's transactions will bring Limitless' bank repayments to Dh2.2 billion (49.4 per cent of the total due), with Dh278.7 million paid to trade creditors (48.3 per cent of the total settlement due).

In May 2016, Limitless cleared Dh1.9 billion of bank debt with an immediate payment following the conclusion of its restructuring agreement with lenders. The payment, six months ahead of time, covered the first repayment instalment and 80 per cent of the second. The company also paid Dh163 million to trade creditors at the time. The final repayments are due in December 2018.

Limitless Chairman Ali Rashid Lootah said: "Limitless continues to meet its obligations and commitments to investors. We thank the Government of Dubai and our lenders, trade creditors and investors for their continued trust and support."

UAE Pavilion breaks ground for Expo 2020

Construction of the UAE Pavilion at Dubai Expo 2020 site has already started with a ground-breaking ceremony last month.

Sheikh Ahmed bin Saeed Al Maktoum, Chairman of the Expo 2020 Dubai Higher Committee, President of the Dubai Civil Aviation Authority and Chairman and Chief Executive of Emirates Airline and Group, laid the foundations for the UAE Pavilion at Expo 2020 Dubai on Sunday, December 17, 2017.

The ceremony, also included the signing of the official agreement for the UAE's participation in the Expo, which was signed by Dr Sultan Ahmed Al Jaber, Minister of State and Chairman of the National Media Council (NMC) – the entity tasked with overseeing the construction and management of the UAE Pavilion at international Expos – and Reem Al Hashimy, Minister of State for International Cooperation and Director-General of the Expo 2020 Office.

Sheikh Ahmed bin Saeed Al Maktoum, said: "The UAE Pavilion will undoubtedly be one of the most prominent attractions of Expo 2020, drawing in many millions to witness its futuristic design. It will be a wonderful opportunity to share our Emirati culture and achievements while showcasing our ambitious vision for the future. The Pavilion will be an architectural marvel that all seven Emirates can rightly take pride in, both now at the ground-breaking stage, during Expo, and in legacy when it will become a lasting icon of our nation."

Dr Sultan Ahmed Al Jaber said: "The UAE Pavilion is a prominent landmark at the Expo 2020 Dubai; it represents the host country and will be the main attraction for millions of visitors from all around the world. The Pavilion showcases the history of the UAE, which stretches over thousands of years, and tells the story of our wise leaders, their vision and their achievements that have transformed the UAE into an international role model. At the same time, the structure will introduce visitors to the UAE's ambitious aspirations for the future, all the way till 2071."

"The UAE Pavilion will be the long-lasting legacy of Expo 2020 Dubai, bearing witness to the UAE's success in organising not only the first Expo in the Middle East and Africa, but also one of the world's best expos to date. This adds another achievement to the UAE's ever-growing track record of successes," Al Jaber concluded.

The UAE Pavilion is designed in the shape of a flying falcon, symbolising the country's leadership and pride. The design's components reflect the values of openness, communication and tolerance, aligning with the main theme of the exhibition, which calls for cooperation with the international community to improve quality of life through sustainable development.

The Pavilion covers an area of more than 15,000 square meters; it is made up of four floors with the top storey dedicated for hospitality with an area of 1,717 square meters. Meanwhile, a 588-square-metre mezzanine floor will house support units, and the two remaining floors consist of more than 12,000 square metres of exhibition space. The entire structure is expected to be completed by the end of 2019.

The NMC approved the design submitted by architect Santiago Calatrava after a seven-month design competition, where nine international architecture firms submitted 11 different concepts.

Entries were evaluated based on strict criteria, including the extent to which they successfully embodied the main theme of the Expo ("Connecting Minds, Creating the Future"), as well as their representation of UAE heritage, balancing the country's past and future.

Arabtec Construction, which won the contract after competitive bidding, will construct the UAE Pavilion.

EDB allocates Dh1 bn for housing & SME

Obaid Humaid Al Tayer, Minister of State for Financial Affairs and Chairman of Board of Directors of Emirates Development Bank, presides over a recent board meeting

Emirates Development Bank (EDB) has allocated Dh 1 billion to housing and the small and medium enterprises sectors to achieve growth in the bank loan portfolio.

"As the focus of the country's economy, small and medium-sized enterprises (SMEs) are considered the main driving force in creating jobs and job opportunities, as well as presenting new, creative work models. This supports the growth of the country's sustainable economy, reinforces regional and global competitiveness and accelerates the country's transition into a creative, innovation-based economy," EDB said in a statement.

"The strategy is in line with the national agenda, which aims to fulfil the UAE Vision 2021 through this national index. That the contribution of the SME sector to the nation's non-oil GDP must reach 70 per cent by 2021."

To this end, the board allocated Dh 450 million to small and medium-sized enterprise finance in 2018.

EDB said, it is establishing the Emirates Movable Collateral Registry Corporation, in line with Federal Law No. 20 of 2016 concerning mortgaging of movable properties as security for debts, which was issued in December of last year. This gives companies a greater finance opportunity at a lower cost, which leads to better evaluations with regards to ease of doing business, global competitiveness, innovation, entrepreneurship and development.

The EDB board has also adopted the Mohammed bin Rashid Innovation Fund Business Strategy that aims to support innovation through bridging the financial gap that projects might face. It also supports national and economic objectives, contributes to building a creative, diverse and knowledge-based national economy. As a result, sustainable progress can be achieved in the country in line with the national strategy for creativity; making the UAE government one of the most creative governments in the world.

The bank seeks to finance entrepreneurs with Dh100 million in 2018, where banks and national banks participating in the Mohammed bin Rashid Innovation Fund issue bank guarantees to contribute to the finance of creative entrepreneurs.

The EDB has also adopted a new Home Finance Strategy for UAE Nationals.

"In commitment to their goal of enabling UAE nationals to purchase or build their own private home, provide them with a dignified life, support social and family stability and achieve the highest levels of happiness and contentment between them; Emirates Development Bank announced the launch of Home Finance loans for UAE nationals last September. The Home Finance loans cover a loan of up to Dh5 million for UAE nationals to purchase a house, a loan of up to Dh3 million for UAE nationals to build a house and a complementary loan of up Dh3 million with a flexible repayment period that can reach 25 years, competitive rates that lessen the financial burden of UAE nationals, transparency in dealing, fast approvals and convenient interest rates," the statement said.

With these home finance products, EDB is targeting UAE nationals, those who have obtained loans from federal and local housing authorities, those looking to apply for a loan to build or purchase their home and those seeking to reserve a spot at the federal and local housing complexes, which are currently under way. To this end, the board allocated Dh550 million to home finance for 2018.

In addition, EDB recently issued 632 housing approvals, estimated at Dh614 million for UAE Nationals. Accordingly, the home finance portfolio is expected to reach Dh1 billion by the end of 2018.

Obaid Humaid Al Tayer, Minister of State for Financial Affairs and Chairman of Board of Directors of EDB, said: "Through the launch of these SME finance products, we seek to support the continuous growth of local economy by helping Emirati entrepreneurs establish their businesses and become more successful."

EDB was established in 2011 with Dh10 billion paid-up capital to bolster the prosperity of UAE nationals.

Mideast exports hit US$765 bn

The Middle East remains the world's most important trading partner in the region despite a fall in oil prices, according to a report by World Trade Organisation (WTO).

The report stated that the Middle Eastern countries recorded exports of US$765.8 billion and imports of US$665.2 billion in 2016. The region recorded the highest exports growth (+4 per cent), given its thriving air transport sector, tourism and IT services not only in 2016, but also 2017.

These figures show that the countries in the Middle East region exports more than they import from other countries – making the region a net exporter of goods and services.

"The Middle East has been exporting for years and has witnessed the most aggressive growth in recent years. The region has not only outperformed its past records, but also set new milestones with its robust positioning," said Satish Khanna, General Manager of Al Fajer Information and Services and organisers International Autumn Trade Fair (IATF) 2017.

In the past few years, the Middle East has boosted its trade presence in the global arena. The region has witnessed continued success and will achieve positive results in years to come, considering the region's focus to diversify its economy. ■

UAE private sector growth at new high

Non-oil private sector growth in the UAE accelerates to three-month high, according to the November Purchasing Manager's Index (PMI), issued by Emirates NBD bank.

The headline seasonally adjusted Emirates NBD UAE Purchasing Managers' Index (PMI) – a composite indicator designed to give an accurate overview of operating conditions in the non-oil private sector economy – rose to 57.0 in November, up from 55.9. The latest expansion was the strongest registered since August and above average. The improvement partly reflected sharp growth in output and new orders in the non-oil private sector. Purchasing activity grows at record pace since the survey began in 2009.

"November's PMI signalled a strong upturn for the UAE's non-oil private sector, and the sharpest pace of expansion since August," it said. "Steep growth in both output and new business contributed to the latest improvement in business conditions. Furthermore, firms responded to higher output requirements by increasing buying activity at the fastest pace in the survey's history, whilst many respondents reported that they anticipate operating conditions to further improve in the next 12 months. In terms of inflation, average cost burdens rose at a solid pace, partly reflecting higher raw material prices."

Khatija Haque, Head of MENA Research at Emirates NBD, said: "The PMI reading for November confirms our view that the UAE's non-oil sector will likely see strong growth in the fourth quarter of this year, as both households and business will likely boost purchases before VAT comes into effect at the start of next year. However, the continued softness in employment and lack of wage growth suggests that any boost to household consumption this quarter will likely prove temporary."

Output continued to increase during November's survey period, thereby extending the current sequence of growth that began in February 2010. Furthermore, the rate of expansion was the strongest registered in 33 months. In response to rising output requirements, growth of buying activity reached a record high during November. The data reflected around 42 per cent of respondents noting increasing quantities of purchases.

New order books expanded at an accelerated pace in November, and at a rate that was above the historical series average. Firms linked successful marketing techniques and an upturn in domestic demand to rising inflows of new business. ■

Passive housing to boost smart living

Passive House or Sustainable House could boost smart living in the UAE, according to experts at the Mohammed Mohammed bin Rashid Space Centre (MBRSC), who briefed attendees at a recent workshop organised by the Future Cities Show (FCS) to be held from April 9-11, 2018.

MBRSC developed Autonomous Sustainable House, which is Dubai's first passive house, was launched on the August 31, 2016.

The MBRSC's passive house is certified by the Passive House Institute in Germany as the first-of-its-kind in a hot and humid climate. The smart technical and engineering solutions applied in the house, i.e. a cooling system based on chilled water, thermal and air insulation techniques in both directions, as well as a mechanical ventilation system, allow for energy savings of 75 per cent compared to typical houses that use conventional air conditioning. Also, the house includes a smart management and control system which interacts with external heat and humidity changes and monitors the house's performance around the clock.

"The house adopts standards related to sustainability and environmental protection. It provides a new model in terms of insulation system, a smart management and control system, as well as mechanical techniques for air filtration," Abdulla Ahli, Manager of Sustainable Energy Programme Section at MBRSC, said.

If developed on a mass scale, the UAE can become a pioneer in passive housing as well as creating better living standards for the inhabitants. The number of passive houses has grown to more than 40,000 units worldwide, including 20,000 in Germany. The United Nations has expressly mentioned passive house buildings as a way to achieve significant energy savings in the building sector – that could help tackle climate change issues.

The second edition of the FCS, takes place in Dubai, UAE, from April 9 - 11, 2018, sets the tone for smart cities through the three pillars – innovation, sustainability, happiness. DCS showcases the future of urban life. "The FCS network and workshops are designed to build awareness on smart living within a sustainable futuristic urban environment," Dawood Shezawi, Chairman of the Organising Committee of the Future Cities Show, said.

"A smart city means preparing the citizens of the future and the obstacles and opportunities that comes. That's why FCS are relentlessly building bridges and closing knowledge gaps by bringing all the stakeholders together, and through the network find insights into cleaner and greener urban life."

GGICO starts delivery of Topaz Tower

Gulf General Investment Co. PSC (GGICO), developer of its sold-out Topaz Residences in Dubai Silicon Oasis, said it has started delivering residential units to customers.

However, Topaz Residences Tower 2, the most premium of the series is over 50 per cent complete with the handover scheduled in fourth quarter of 2018 and Topaz Residences Tower 3 is 75 per cent complete with the handover scheduled in the third quarter of 2018.

Topaz Residences Tower 2 is offering premium and spacious 1,000 square feet (average) one-bedroom apartments for just Dh691 per square feet – the lowest per-square-feet rate in Dubai Silicon Oasis.

The total apartment value is Dh708,695 with an EMI option of Dh1,750 per month. It also comes with an equally practical payment plan of 40 per cent payment during construction and 60 per cent over 3 years. Those interested can make a reservation by paying just Dh74,262.

Topaz Residences Towers are high-rise residential buildings that feature stylish and spacious one-bedroom apartments, complete with all the modern-day amenities. All the three towers span a total built-up area of 697,924 square feet housing 448 apartments.

Aldar readies Ansam and Hadeel for handover

Following the completion of construction work at Ansam and Al Hadeel projects, Aldar Properties has commenced a phased hand over of residential units to home owners and investors, the company said in a statement. Situated on the west side of Yas Island, Ansam features four Andalusian-style apartment buildings comprising studios, one, two, and three-bedroom units.

The development offers residents a privileged resort-lifestyle with excellent community facilities and local retail outlets, all integrated with garden style public areas that grant magnificent views of the Yas Links Golf Course. Ansam is the first residential development on Yas Island to be handed over to residents, marking the establishment of a permanent population on the island.

Redefining waterfront living, Al Hadeel sits on the seafront of Al Raha Beach alongside some of Aldar's most recognizable and popular developments – Al Bandar, Al Muneera and Al Zeina. Offering 5.2 million square metres of natural beachfront, Al Raha Beach is located next to the main highway linking Abu Dhabi and Dubai. Al Hadeel features apartments, townhouses and duplexes, drawing inspiration from its premium address. ■

Croatia in Damac's investment radar

Damac International said, it is forging ahead with international expansion plans and is assessing several popular coastal destinations in Croatia as it looks into a number of real estate projects.

"Istria, Dalmatia and Dubrovnik are amongst the cities which Damac sees tremendous potential in and is targeting for investment opportunities, with projects that could be valued at hundreds of millions of dollars," Wael Al Lawati, Senior Vice President of International Business Development at Damac, said.

"Croatia has a lot to offer in terms of picturesque locations for residential communities as well as being an attractive holiday destination for tourists, presenting tremendous potential for hospitality projects," said Al Lawati. "Istria's close proximity to a number of countries such as Italy and Slovenia makes it easily accessible for holidaymakers travelling by car. Croatia's geographical diversity makes the country very attractive to DAMAC as it opens up a lot of opportunities to plan a mix of projects."

Al Lawati also emphasised that Dubrovnik is a world class city that is abundant with history and heritage sites, making it one of the most attractive destinations in the world.

He also referenced Split, a popular city that is rich in history with beautiful islands and an idyllic harbour-side that make make it an ideal location for vacation homes and hotel units.

Damac's interest in Croatia follows the recent visit by Damac Chairman, Hussain Sajwani, who toured the country and met with Croatian President, Kolinda Grabar-Kitarović, in July 2017 to discuss real estate collaboration opportunities.

"Damac has the capital and resources to carry out large-scale projects and with the right local partners and government collaboration, it could soon be announcing a major project in Croatia," Al Lawati added.

In June 2017, Damac was chosen by the Government of Oman to redevelop its Port Sultan Qaboos in Muscat, a historic US$1 billion (Dh3.67 billion) master development project which will see the port transformed into an integrated tourist port and lifestyle destination that includes hotels, residences, as well as a dining, retail and leisure offering. Damac is planning to build similar tourism and residential developments in gateway cities across Europe.

Damac has delivered approximately 19,900 homes to date and has over 44,000 units in various stages of development. The company's footprint extends across the Middle East with major projects in the UAE, Saudi Arabia, Qatar, Jordan, Lebanon, the United Kingdom and Oman. ■

Aldar buys office tower for Dh658 m

Aldar Properties, Abu Dhabi's leading property developer, has completed the acquisition of International Tower, a high-quality office tower located in Capital Gate district of Abu Dhabi for Dh658 million.

International Tower comprises 39,000 square metres of net leasable area of Grade A commercial space and will immediately contribute to Aldar's net operating income supported by a strong mix of existing tenants and robust occupancy.

The asset will complement Aldar's existing Dh18 billion asset management portfolio of high-quality real estate assets across the retail, residential, office and hospitality sectors and further supports Aldar's asset management strategy to grow net operating income.

The Capital Gate district is home to a combination of private and public sector organisations, as well as a range of hospitality outlets and the Abu Dhabi National Exhibition Centre. International Tower is located at the heart of this premier business hub, so is well positioned to attract a high-quality mix of tenants. Key anchor tenants include Abu Dhabi Systems and Information Centre, AECOM, Wood Group, McKinsey and Company and BAE Systems.

Talal Al Dhiyebi, Chief Executive Officer of Aldar Properties, said: "The acquisition of International Tower clearly demonstrates our belief in the strength of Abu Dhabi's commercial real estate market. With a strong mix of existing tenants, this grade A office tower will make an immediate contribution to net operating income, in line with our strategy to grow recurring income from our portfolio of high-quality assets. Supported by our strong balance sheet, we will continue to assess the market for opportunities that will further drive growth of our portfolio."

Dh18 bn

value of Aldar's asset management portfolio

In addition to the acquisition of International Tower, Aldar also recently announced it will retain a proportion of the Water's Edge residential development for its asset management portfolio. These announcements demonstrate Aldar's ambition to further invest in developing a world class, high-quality and sustainable asset management portfolio. ■

Aldar unveils more homes

Aldar Properties, Abu Dhabi's leading property developer, said, due to strong demand it will release more apartments for sale in Water's Edge, the company's waterfront development on Yas Island.

Demand has soared for the waterfront homes, with the units launched to date already sold out. The new release will comprise studios to three-bedroom apartments, with prices starting from Dh500,000 and Escrow accounts with Union National Bank utilised for all purchases.

Talal Al Dhiyebi, Chief Executive Officer, Aldar Properties, said: "The appetite for waterfront homes on Yas Island continues to exceed expectations; when we release new units, they sell out in a matter of days. We are making every effort to cater to this demand."

Located on Yas Island's Eastern shores, Water's Edge offers the complete outdoor lifestyle with pedestrian access to all amenities including a waterfront promenade with multiple dining and retail options as well as complete community facilities.

Water's Edge residents will benefit from the abundant attractions that make Yas Island the most exciting destination in Abu Dhabi. The development lies adjacent to the upcoming Sea World theme park, and a five-minute walk from Yas Mall, Ferrari World and the Yas Marina Circuit. ■

UAE attracts $118 bn cumulative FDI

UAE is the second largest destination for foreign direct investment in the Midde East

Cumulative FDI to the UAE increased to US$117.9 billion by the end of 2016 from US$109 billion in 2015, at a growth rate of 8.2 per cent. The rise was supported by higher investments in manufacturing and other heavy industries, according to recent reports.

According to the 2017 Global Investment Report published by the UN Council on Trade and Development, the UAE was the 11th largest FDI recipient in Asia. Its main investors are from the UK, the US and India. After having declined in 2009, FDI inflows recovered in 2016, when the UAE attracted around US$8.9 billion to surpass the 2015 figure by around 2.2 per cent primarily due to the political and economic stability of the country. FDI is mainly concentrated in the retail/wholesale trading, real estate, financial services, insurance, and manufacturing sectors.

Sultan bin Saeed Al Mansoori, UAE Minister of Economy said: "FDI is instrumental to achieving sustainable economic growth. We in the UAE are constantly adopting policies and structures that will ultimately provide us with a suitable environment for attracting FDI and retaining its positive impact to attain the desired results."

He noted that it is important for countries to develop appropriate policies and frameworks for taking the best advantage of inward FDIs to support their development objectives. His comments comes as preparations for the Annual Investment Meeting (AIM) that will take place at the Dubai World Trade Centre from April 9 to 11, 2018 goes in full swing.

The Minister added: "The world today is highly interdependent, with any side affecting and affected by what is happening in any other part. We face common challenges which we can overcome through mutual efforts and synergy between governments and the private sector which will enable us to build a future that benefits all people worldwide, allowing them to enjoy a life of security, stability, and well-being."

The annual forum is one of the leading regional events on FDI and is organised by the UAE Ministry of Economy. It is expected to attract 20,000 investors and visitors from various countries and will adopt the theme 'Partnerships for Inclusive Growth and Sustainable Development. AIM is a leading platform for strengthening the UAE's role as a distinctive investment destination. In the World Bank's Doing Business Report 2018, the UAE ranked 21 out of 190 countries in Ease of Doing Business, up by five levels from 26th in the 2017 report.

China seeks greater UAE investment

China, the second largest global economy and the UAE, the second biggest Arab economy, are strengthening bilateral economic relations to a new level, from the US$46.3 billion in 2016.

Two-way trade between the UAE and China has already crossed $35 billion in the first nine months of the 2017, officials said at a recent seminar on Cross Border Industry-Focused Investment Cooperation Seminar held at the Dubai World Trade Club.

Bilateral trade has crossed US$35 billion in the first 9 months of the current year and is expected to surpass last year's $46.3 billion," Lei Jin, Economic and Commercial Counsellor at the Consulate General of the People's Republic of China in Dubai, said.

Bao Ning, Director at the China Investment Promotions Agency, said, "China attracted $134 billion foreign direct investment in 2016 and Chinese investment in overseas markets jumped 44 per cent to $183 billion, making China a net capital exporter in the world and we expect part of the future investment to be channelled to the UAE.

"China's One Belt, One Road initiative has already seen $60 billion investment in new economic corridors with 75 industrial belts creating 209,000 jobs and $2.21 billion tax revenues."

Emaar hotels to get digital makeover

Emaar Hospitality Group, the hotel operating arm of Emaar Properties, has hired Accenture Stratey for a digital makeover of its assets that it says will set a new benchmark for the hospitality sector.

Emaar has unveiled three new projects for digitalisation that will leverage the Internet of Things and Artificial Intelligence to enhance guest experience, promote organisation-wide digital innovation and drive operational excellence.

The new projects cover the digital transformation of its three brands – Address Hotels + Resorts, Vida Hotels and Resorts and Rove Hotels – as well as its dining outlets. Currently, Emaar has 11 operational hotels and three serviced residences in Dubai, with another 30 hotel projects in the pipeline in the UAE, Saudi Arabia, Bahrain, Egypt, Turkey and the Maldives.

Alexis Lecanuet, Managing Director for Accenture in the Middle East and Turkey said: “The digital revolution has transformed the hospitality industry as we know it. To keep up with the demands of an increasingly tech savvy clientele, hoteliers have had to think of innovative ways to reinvent the entire guest experience — even from the time before they book through to after check out.”

Accenture will help Emaar explore ways in which digital technologies can revolutionise the guest experience. Using its innovation and design capabilities, as well as its global expertise in the travel and hospitality sector, Accenture will help design and build new capabilities aimed at improving guest satisfaction.

The first project focuses on removing inflexibility of transactions and bringing seamless service to the guest, ensuring that guests can check-in/check-out anytime, anywhere. Assuring digital connectivity with the hotels on-the-go, the project will simplify digital processes and ensure greater efficiency of operation.

The second digital initiative leads to the transformation of hotel rooms as intelligent rooms that tunes itself to the preferences of the guest through machine learning and Artificial Intelligence. By setting their preferences, guests experience a home-away-from-home feeling.

The third project draws on digital collaterals to free up space in guest rooms and public spaces. Through digital storage and connected processes, operational spaces will be decluttered, and turned into social spaces for better guest interaction and fun activities. ■

City Centre Ajman gets Dh650m makeover

Majid Al Futtaim – developer of leading shopping malls, communities, retail projects across the Middle East, Africa and Asia – has invested Dh650 million to expand City Centre Ajman as a regional shopping mall.

City Centre Ajman has grown from 29,000 to 55,672 square metres in size as part of the ongoing redevelopment. The modern design of the extended wing with a skylight roof allowing natural light to stream into the mall during the day and the contrast lighting levels in the stores and new central galleria create a warm and inviting atmosphere for the visitors. Construction has been carried out in line with green building best practice and Majid Al Futtaim’s sustainability strategy.

The expansion adds 79 stores, and a dining experience as part of the expansion. Taking customer feedback into consideration, the mall has boosted parking capacity from 750 to 1,800 – as part of the first phase of its Dh650 million enhancement project. The opening of the new wing reiterates Majid Al Futtaim promise to bring an unparalleled shopping and entertainment experience to the Northern Emirates and our strategy to increase total investment in the UAE by Dh30 billion by 2026. ■

DIFC Court gets busy with SMEs

An increasing number of small businesses and individuals based outside of the Dubai International Financial Centre (DIFC) are choosing to have their commercial disputes resolved by the DIFC Courts' Small Claims Tribunal (SCT), according to new figures released today.

To date in 2017, the number of opt-in cases filed with the SCT has doubled from 25 to 54, with such cases now accounting for approximately one sixth of the tribunal's workload of 349 so far this year. Underscoring the SCT's increasing popularity for business trading today, the opt-in clauses available on the tribunal's website have been downloaded over 7,000 times in the last three months.

Nearly one third of hearings this year are via the region's first "Smart SCT," enabling parties to resolve disputes in a virtual court, connecting remotely through computers and smartphones.

The SCT achieved a regional first in October 2017 by offering claimants the option to use direct and instant messaging to give defendants notice as part of an expanded range of e-services. The DIFC Courts' SCT was established in 2007 to hear less complex claims in private and proceedings, with an average 83 per cent of cases concluded within four weeks.

A start-up pitching for nomination for the top slot at the AIM Startup 2018

Start-ups to change GCC economies

A start-up revolution is about to begin in the Middle East, as 100 pre-selected start-up companies entered into a series of a region-wide pitch competition across Jordan, Saudi Arabia, and Bahrain, organised by AIM Startup, an initiative of the UAE Ministry of Economy, which will host its second annual exhibition and conference, from April 9-11, 2018 at Dubai World Trade Centre.

Around 25 start-ups were selected out of 100 participating start-ups through a series of pitch competitions. The selected MENA start-ups will now have the opportunity to come to Dubai and participate at AIM Startup's Grand Annual Event in April 2018!

Start-up companies are gradually changing the economic landscape of the Arab world that, according to the start-up research firm Magnitt, has attracted more than US$1 billion investment. Instead of seeking employment, most Arab young men and women are now becoming employers – that will help reduce unemployment as well as increase the economic output in the region.

However, this is perhaps the tip of the iceberg. The start-up revolution in the Arab World will accelerate with a threefold jump in mobile broadband subscriptions in the Middle East and Africa between 2016 and 2022, according to report by Ericsson AB. AIM Startup, the largest such platform in the MENA region for start-ups, is helping create an eco-system that will bring investors, venture capitals and start-ups closer to create employment and accelerate growth.

Business consulting firm Frost & Sullivan predicts that the GCC e-commerce market would be worth $41.5 billion in 2020, with 53 per cent of this market in the UAE Meanwhile, the MENA Private Equity Association estimated that the value of e-commerce in the wider MENA region would reach $200 billion by that same year.

Dawood Al Shezawi, CEO of AIM Startup, says, "This is the first such competition aimed at helping the region's start-up community to flourish. The region-wide pitch competition gives the start-ups in the Middle East a chance to participate at the AIM Startup 2018 and make their cases for funding among mentors, trainers, business leaders, investors – and help them source funding.

"These developments make AIM Startup more exciting and relevant as we will see young women and men showcase new products, services and new processes that will reshape our lives and the way we work in our respective fields."

Accor to operate Raffles on Palm 360

Nakheel Chairman Ali Rashid Lootah and Sébastien Bazin, Chairman and CEO of Accor Hotels, discusses the Palm 360 degree project at an exhibition

Accor Hotels, the French hotel operator, signed a management agreement with Dubai-based developer Nakheel for the expansion of Accor Hotels' renowned luxury brand, Raffles Hotels and Resorts to operate Palm 360 property, currently being developed on the Palm Jumeirah island.

Palm360, a spectacular two tower development on the Palm Jumeirah, will comprise of the Raffles The Palm Dubai Hotel and Raffles Residences Palm360.

Set to open in 2021, Palm360 will be the first beachside resort for Raffles in Dubai and the tallest structure on Palm Jumeirah. At almost 260 meters high, Palm360 will offer unobstructed views of Palm Jumeirah, the spectacular Arabian Gulf coastline and Dubai skyline. Its centrepiece will be a 155 metre long sky pool, connecting the towers 170 metres above the ground.

The hotel component will offer 125 hotel rooms and suites, whilst the 359 branded residences – including 16 branded penthouses that will each have their own private pool, gym and cinema – will be available for purchase. Residence owners will be able to enjoy Raffles' legendary services, including concierge, private transportation and in-residence dining.

The hotel and residential complex will feature a host of high end dining outlets, including two rooftop restaurants commanding sweeping views and a waterside restaurant in a spectacular poolside and beachside setting. A speciality restaurant will provide a venue for lavish culinary presentations throughout the day and a specially-designed lobby lounge will serve top-flight fare in luxurious surroundings.

Nakheel Chairman Ali Rashid Lootah said: "We are committed to playing a key role in realising the Government of Dubai's vision by continuing to deliver unique, landmark projects that reinforce Dubai's position as a world-class destination for living, business, leisure and tourism. Palm Jumeirah has quickly evolved into one of the most sought-after addresses in the world, offering the ultimate in luxury living and leisure. Palm360 will further enhance the island's global appeal, which already attracts millions of visitors each year."

Palm360 joins 16 other hotels that form part of Nakheel's US$1.3 billion hospitality expansion programme that is set to deliver close to 6,000 rooms and hotel apartments across Dubai. ■

MAG accepts payment in crypto-currency

MAG Lifestyle Development, part of the MAG Group, has today announced that it will offer customers the opportunity to purchase properties using OneGram, the first Sharia-compliant crypto-currency.

The strategic affiliation, which is the first of its kind in the region, is considered a game changer in both the real estate and crypto-currency industries, providing property investors with a unique chance to leverage their digital assets while also bringing OneGram into the mainstream with a real-world application in the real estate sector.

Bitcoin and other crypto-currencies are struggling to enter the mainstream in the Middle East, where their inherently speculative and risky character does not complement the local investment culture. OneGram is stepping in to fill this gap as the first Islamic Sharia-approved cryptocurrency.

Each OneGram Coin is backed by a gram of gold, which ensures that it remains a fully capitalised and stable digital currency. In compliance with Islamic Sharia law, it is also zero interest, profit-loss sharing and non-speculative as it is pegged to gold. OneGram is also simple to buy and trade and will go live in June 2018. ■

Dubai trade hits Dh985bn in 9 months

Total trade (direct and free zones) through Dubai grew 3.5 per cent to Dh985 billion during the first nine months of 2017 over the same period of 2016, a statement by Dubai Economy, said recently.

Dubai's real GDP growth is set to reach 3.2 per cent in 2017, 3.5 per cent in 2018 and 3.7 per cent in 2019.

The real estate and business services sector in Dubai is expected to grow by 4.3 per cent, 3.8 per cent and 3.9 per cent over 2017, 2018 and 2019 respectively, while the Manufacturing will grow by 3 per cent, 3.8 per cent and 4 per cent during the same period

Dubai has also served 12 million tourists during the first nine months of 2017, an increase of 7.5 per cent year-on-year.

The trade sector is expected to contribute 28 per cent to Dubai's GDP in 2017, while the contribution of the logistics sector is expected to reach 16 per cent and the financial services sector at 11 per cent. Tourism is expected to see a growth of 5.1 per cent and the sector is expected to retain a 5 per cent growth rate in the next two years. The latest economic outlook published by Dubai Economy underlines the continued dominance of the trade, logistics, tourism, manufacturing and real estate in the emirate over the coming years. ■

The new development will attract more tourists to Abu Dhabi

Abu Dhabi to get a beachfront project

80,000

square metre project to open in Q1, 2018

Miral has announced the development of a new, vibrant beachfront community space located on Abu Dhabi's Corniche. Due to open in first quarter of 2018, the Al Bahar project will help to deliver on the capital's vision of offering unique experiences for residents and visitors, establishing the emirate as an entertainment and leisure destination of distinction.

Miral will develop an 80,000 square meter location into a dedicated beachfront space for leisure and wellbeing. Al Bahar project will create a vibrant and contemporary outdoor space to relax, eat, and shop. The integrated family beach will expand its offering to include over twenty food and beverage outlets that cater to different tastes, satisfying those who seek the finest international and local food experiences from the best providers in the market.

The beachfront will comprise basketball and beach volleyball courts, soccer pitches, an outdoor gymnasium, kids play area, spaces for concerts and community events as well as an inflatable floating structure for fun-filled experiences. A promenade, stretching over half a kilometres in length, will also be set aside for walking.

"This project reflects our continuous efforts to make Abu Dhabi a top tourism and entertainment destination, even beyond Yas Island by expanding our expertise to create a new leisure experience on Abu Dhabi's highly popular corniche. With its inclusive atmosphere and authentic experiences, we're excited and confident that the beachfront project will make a valuable contribution to the capital's family appeal as from a wellness and entertainment stand point," Mohamed Abdalla Al Zaabi, CEO of Miral, said.

Miral is opening up the opportunity for leasing the food and beverage and retail space at the beachfront project. Al Bahar is the official name of the lagoon beach project that has been recently announced by Abu Dhabi Municipality, whereby Miral was appointed to undertake the development of the project. ■

Makers District to get Pixel towers

Abu Dhabi-based real estate developer Imkan announced plans for the first mixed-use project in its 18-hectare waterfront Makers District on Reem Island.

Pixel's seven towers, incorporating residential apartments, co-working office space, food, beverage and retail, will form a key part of an exciting new neighbourhood and a unique urban living destination being built in the UAE capital.

With a built-up area of approximately 83,000 square metres, Pixel will offer 480 residential units within seven mixed-use residential towers that are surrounded by quiet pocket gardens and frame a centralized pedestrianized plaza, home to over 3,500 square metres of an artisanal mix of F&B, retail and offices, as well as a signature water feature.

The community is located just steps away from The Artery, Imkan's unique hybrid parking garage, the cultural hub and the first unveiled building at Makers District.

Home to an engaging central hub of activities, Pixel mirrors the identity of the Makers District by bringing further innovative placemaking to Abu Dhabi.

Walid El Hindi, CEO of Imkan, said: "Pixel is a vibrant human scale destination, designed to offer its occupants a unique and soulful place to enrich their lives, collaborate in work and engage with their community. It is also a key milestone in IMKAN's journey to establish Makers District as the new beating heart of Abu Dhabi and a place that reflects the best standards in building and design that will benefit end-users, and the wider community."

Imkan has partnered with some of the world's best architects and designers in developing Pixel. Combining a collaborative, research-based design method, and a portfolio of award winning iconic projects worldwide, Rotterdam based MVRDV, were a natural fit for designing the mixed-use community.

Its 15,000 square metres innovative, landscaped public realm has been designed by Copenhagen based BIG (Bjarke Ingels Group), a globally recognised firm awarded for its large number of projects throughout the world, and winner of the latest cycle of 'Agha Khan Award for Architecture'. The firm was awarded the prize for designing the Superkilen public park in the Norrebro district of Copenhagen, Denmark.

Imkan has also appointed global engineering, design and environmental consultancy firm 'Ramboll' as lead consultant for the entire phase 1 of Makers District. Construction is anticipated to start in Q1 of 2018, and is scheduled for completion in Q4 2020. ■

Omniyat gets Dh500 m credit from Ajman Bank

Dubai-based developer Omniyat has signed a facility agreement with Ajman Bank for Dh500 million ($136 million). The financing will be used for the construction of an iconic mixed-use project at Dubai Water Canal in Business Bay.

The project is a cooperative partnership between Omniyat, Saudi Arabia's Rashed Al Rashed Group and Jenina Real Estate Development Company Ltd. - one of Saud Kanoo's companies.

The total project cost is Dh1.34 billion ($365 million) and is scheduled for completion by 2020. The project will consist of a luxury hotel, residences and retail development. The official unveil and announcement is due in the first quarter of next year.

Mahdi Amjad, chairman and CEO of Omniyat, said: "Omniyat has separated itself from the competition by focusing on unique projects that resonate with discerning investors and by collaborating with like-minded partners who share our vision."

The project will be one of the biggest hospitality announcements Dubai has seen and will cement Omniyat's move into the lifestyle sector, preceding the opening of The Opus by Zaha Hadid later. Omniyat has a development portfolio of Dh23 billion ($6.2 billion). ■

Limitless prepares more ground at Downtown

Limitless, the developer of Downtown Jebel Ali master development in Dubai, said it has reached more new milestones with the completion of the infrastructure of its Zone 2 with the first substation handed over to DEWA.

"All underground utilities are now complete at Zone 2 of the 200 hectare mixed-use development, while 90 per cent of work is finished at Zone 4 and 70 per cent in Zone 3," Limitless said in a statement.

Road construction is also complete at Zone 2, and underway at Zones 3 and 4. All infrastructure work at Downtown Jebel Ali is on track for completion in 2018.

Meanwhile, a 132 KV substation was completed and handed over to DEWA in October. News of these major milestones come three days after Limitless announced an early repayment of Dh412.4 million to banks and trade creditors. Downtown Jebel Ali has more than 300 third party plots that will contain a mixture of apartment blocks, hotels, offices and retail developments. Many are already operational or under construction.

Stretching 11km along Sheikh Zayed Road, the development is close to Jebel Ali Free Zone and Expo 2020 site and a key attractions in Dubai. ■

Saudi builder Dar Al Arkan enters Dubai

Dar Al Arkan, the largest listed real estate developer in the Saudi Arabia, is entering Dubai's real estate market with a Dh800 million tower, as part of its plans to expand to global markets.

Its Dh800 million tower will be developed on the Dubai Water Canal in the Business Bay area.

The company has partnered with luxury brand, Roberto Cavalli, to design the interiors of the lavish 34-storey waterfront skyscraper, located in one of the world's greatest urban transformations, in true Italian fashion. Named "I Love Florence", the new luxury tower will offer its residents an immersive living experience that combines the sophistication of fascinating Florence with the luxury of Dubai.

Yousef Bin Abdullah Al Shelash, Chairman of Dar Al Arkan, Gian Giacomo Ferraris, CEO of Roberto Cavalli Group, made the announcement at a press conference, attended by government officials, diplomats, dignitaries and investors.

"Our solid track record in delivering 15,000 residential units and 500,000 metres of commercial space in Saudi Arabia for over 23 years will support our global expansion, which aims at presenting further diversification to our existing investors, as well as attracting international investors to our investment portfolio," Yousef Bin Abdullah Al Shelash said.

Towering over the 3.2 kilometres man-made waterway, the high-rise will combine stunning views of the canal's vibrant outdoor and night scenes, with the elegance of the Florence's Arno riverside, reflected in the interiors sketched by one of Italy's most famed design houses. This is the first time ever that Roberto Cavalli fashion brand lends its name to a real estate development, anywhere in the world.

Dar Al Arkan brings Roberto Cavalli branded homes to Dubai

Gian Giacomo Ferraris commented: "Dubai has carved its position as the house of fashion and design in the region. I see a strong correlation between Florence and Dubai, with both cities projecting elegance, art and design in everything they do, each in its own way. The new tower will embody Roberto Cavalli's passion for beauty, design and his celebration of Italian craftsmanship."

The "I Love Florence" Tower, which will have unique views of the Dubai Canal, will feature for the first time in Dubai New York style homes, with elevators opening directly into the apartments, providing utmost privacy. Units will be available in one, two, three and four bedroom penthouses.

The tower architecture has been designed by VX Experts. DAAR has also appointed La Casa Engineering Consultants. Construction will start in January 2018. ■

DWTC builds the first 25Hours Hotel outside

French hotel operator Accor Hotels and Dubai World Trade Centre LLC (DWTC) said they will open the first 25hours Hotels property outside of Europe. The game-changing disruptive hospitality brand, which was conceptualized in Germany, is set to make its debut for the first time ever in the Middle East with the 25hours Dubai Hotel.

The 434-room property, which will become the largest 25hours Hotel worldwide, is expected to open by 2020. 25hours Dubai Hotel will be located in DWTC's One Central development, a lifestyle destination. With the project's first two phases completed ahead of its delivery schedule, One Central showcases a mix of sustainable commercial assets.

25hours Dubai will become the first upscale addition to an existing 1210-room cluster of Accor Hotels' award-winning economy and mid-scale brands at the DWTC complex.

Christoph Hoffmann, CEO, 25hours Hotels explained: "The 25hours Hotel for Dubai is an exciting first on many levels. Apart from being our first destination outside of Europe, it is the first development in cooperation with our partner AccorHotels and will be the largest hotel for the brand. At the moment we are at a stage where we are learning a lot about a new market and culture, as we hope to cope with the regional climate. 25hours Dubai Hotel will be a unique hotel reflecting the spirit and international attitude of Dubai."

Helal Saeed Almarri, Director General of Dubai World Trade Centre Authority said: "Through the DWTC Authority and our business-conducive free zone ecosystem, the One Central development delivers a destination proposition that emphasises Dubai's global status as a progressive, hyperconnected, competitive hub for businesses to efficiently operate and scale expansion plans across the wider EMEAA region. This addition of the 25 Hours Hotel is reflective of the strategic approach that One Central has taken towards its careful selection of product partners that will come together synergistically to further strengthen and underscore Dubai's attractiveness."

Established in 2005, 25hours Hotels has revolutionized the hospitality industry in Europe with its rich personality and relaxed service. 25hours Hotels is a celebration of individuality, with each hotel tailor-made for urban, cosmopolitan and culturally aware guests. With an emphasis on social dining concepts, each 25hours Hotel has been shaped into a vibrant community hub.

City launches first project

Dubai-based City Properties, the property development arm of leading UAE real estate service provider City Tower Real Estate; announced the launch of its maiden real estate project, Al Haseen Residences located in the south of Dubai.

The company also introduced their payment plan called the Cityflex Ownership Plan, which provides a variety of investment options that meet an investor's financial planning needs.

"Having been in the real estate business for over 20 years, we can confidently say we understand the real estate market and the needs of investors," said Tauseef Khan, Chairman of City Properties and City Tower Real Estate, a company that manages 90 buildings and 5,000 units in the UAE.

"With Expo 2020 around the corner and with Al Maktoum International Airport forecasted to be the busiest airport in the world, this area of Dubai will continue to attract a lot of interest. In addition, we expect the population in this area, which many consider to be a city within a city to increase to a million in the years ahead."

Expected to be completed in the first quarter of 2019, Al Haseen Residences is the first of ten buildings the developer plans to construct in the Dubai South area. The G+6 tower valued at Dh100 million, will comprise 138 apartments.

Azizi delivers Dh460 m worth of projects

Azizi Developments, a fast-growing UAE real estate developer, has announced the handover of two serviced apartment projects in Al Furjan – Candace Acacia Serviced Residences, and Candace Aster Serviced Residences, valued at Dh460 million. The projects were completed in a short span of 20 months.

Candace Acacia is valued at Dh240 million and spans a construction area of 335,246 square feet and includes 316 units of studio and one-bedroom apartments. Meanwhile, Candace Aster is valued at Dh220 million with a construction area of 259,757 square feet and includes 227 units of studio and one-bedroom apartments.

Both developments offer around-the-clock amenities and accessibility to key parts of the city, with restaurants, retail, cinema and schools in the vicinity. Both projects have used premium materials and the interiors have been carefully crafted to deliver a design that is urban yet timeless. Al Furjan is one of Dubai's fastest growing residential neighbourhoods, with easy access to Ibn Battuta Mall, Jebel Ali Free Zone and the Expo 2020 site.

The new metro line named Route 2020 will be a 15 kilometres extension of Dubai Metro's Red Line to the Dubai Expo 2020 venue. It will serve seven additional stations and will connect Al Furjan to Dubai Investment Park, Discovery Gardens, Jumeirah Golf Estates and will eventually service the Al Maktoum International Airport. The metro extension forms part of RTA's strategy to increase public transport services to new and existing communities across Dubai, thus making Al Furjan an attractive return on investment for buyers and investors.

Dh12bn

value of Azizi Riviera, being developed at Meydan One

Farhad Azizi, CEO of Azizi Developments, said: "Candace Acacia and Candace Aster were conceptualised to meet the growing demand for premium living spaces in Al Furjan. Serviced apartments are an important category for Azizi Developments and one that we will aggressively tap into in the coming years in emerging residential neighbourhoods in Dubai.

"In this regard, we have seen that Al Furjan is emerging as a premier residential real estate destination in Dubai, offering a comfortable community lifestyle to residents. With Dubai's emergence as a regional hub for business, tourism and events such as the Expo 2020, we expect the demand for international-level serviced residential apartments to only increase in the future."

Since the start of the year, Azizi Developments has demonstrated a faster pace of completed projects. In the last three years alone, the property developer has delivered over 800 units across eight projects in Al Furjan, and is expected to complete a further nine projects in the area before 2020. ■

Azizi to invest $2.5 bn in 2018

At A Glance

Dh9.1 billion
to be invested by Azizi in Dubai's real estate in 2018

Dh20 billion
project portfolio value of Azizi Developments

Dh12 billion
development value of Azizi Riviera project at Meydan

Dh25 billion
development value of Azizi Victoria project at the Meydan City

Azizi Developments, one of the fastest growing real estate developers in the UAE, has announced that it will invest US$2.5 billion (Dh9.1 billion) across its operations in the UAE in 2018, significantly higher than its investments in 2017.

The cash-rich property developer is building Azizi Riviera – a Dh12 billion masterplanned community and Azizi Victoria – a Dh25 billion mixed-used masterplanned project – both located at the Meydan City.

The budget was approved by Mirwais Azizi, Azizi Group Chairman, at an end-of-the-year celebration party held at a hotel in Dubai recently.

The budget announcement aims to meet the developer's commitment to further develop the Dubai real estate market by establishing community lifestyle projects in key locations across the city.

30,000 units will be developed at Azizi Victoria at Meydan City

Farhad Azizi, CEO of Azizi Developments, said: "We are pleased to announce that we have allocated Dh9.1 billion towards expanding our business even further in Dubai in 2018. Our developments will include new residential projects in upcoming locations and community-style projects in high-potential areas across the city. While 2017 was one of the busiest years for us operationally, we expect to see further business growth and development in 2018 – especially as we near the commencement of Expo 2020, one of the biggest events on Dubai's calendar for the next few years."

"Our priorities for 2018 are to meet our commitments to our customers while maintaining a healthy balance sheet and capital discipline. The sooner we can achieve our long-term goal; the sooner we can further grow our business, build on the success of 2017, and work to exceed next year's goals while remaining a construction-driven real estate company."

This year has been hugely transformational for Azizi Developments, with many projects delivered across key locations in Dubai, including in Al Furjan and Palm Jumeirah. In addition, the developer launched two mega residential developments – the canal waterfront project Azizi Riviera valued at Dh12 billion and Azizi Victoria in Mohammed Bin Rashid City – District 7, twice the size of Azizi Riviera. Both of these mega projects are expected to meet the growing demand for premium residential real estate in Dubai over the next few years.

Azizi Developments is the real estate investment arm of Azizi Group. Established in 2007, the company's diverse experience in the property market has led the value of its current portfolio in the emirate to over Dh20 billion and more than 100 projects at various stages of development. ■

Audacia buys Dutch assets for €91m

Dubai-based Audacia Capital said it has acquired two adjacent office properties now under construction in Hoofddorp, close to Schiphol Airport, The Netherlands.

The properties, being developed by RED and designed by Powerhouse, are both office buildings with a strong focus on sustainability and health.

The properties are designed to become an attractive, healthy and cost efficient workplace to fulfil the ambition of realising sustainable and healthy buildings. The ASICS EMEA and Benelux headquarter is due for completion in October 2018. The new Danone Netherlands Global headquarter office building is due for completion in March 2019. The combined purchase price was €91 million.

Emad Mansour, Founder and CEO of Audacia, said, "This acquisition heralds Audacia Capital's entry into the European real estate market and provides our partners with an exciting opportunity. We will continue to develop in this sector, always striving to ensure solid, quality returns Our aim is to continue to develop Audacia to become a multi-asset class manager."

AC Niellsen and Van Gool Elburg acted as buy-side advisors and Simmons and Simmons acted as legal advisors to the purchaser. ■

Arada released Phase III villas of the Nasma Residences

Arada launches PIII of Nasma Residences

Sharjah-based property developer Arada has launched Phase 3 of Nasma Residences, its first community, after experiencing strong sales in Phase 2 of the master-planned project.

GEMS, operator of the largest school network in the UAE, will open a school in Nasma Residences. Both announcements come shortly after enabling work began at the community.

Phase 3 of Nasma Residences will incorporate an entirely new unit, the Three Bedroom Signature Villa. Other units on sale include two, three and four bedroom Townhouses and Semi-Detached Villas, and four and five bedroom detached Signature Villas.

Sheikh Sultan bin Ahmed Al Qasimi, Chairman of Arada, said: "Our vision is that every resident should be able to access best-in-class services, including a high-quality, international education for their children, all within a beautifully designed and landscaped community."

Dino Varkey, Chief Executive Officer of GEMS Education, said: "We're delighted to bring the very highest quality education to Nasma Residences, with a new affordable international school."

Launched in March 2017, Nasma Residences sold out the first of the community's five phases in less than a month, making it the fastest-selling residential real estate project in Sharjah. The main construction contract for work on Phase 1 of Nasma Residences was awarded to Intermass Engineering & Contracting. Enabling works began onsite on 1 September, and the first phase is on track to be delivered to homeowners by the end of 2018.

Spread over an area of 5 million square feet, Nasma Residences has been carefully planned to ensure a balance between living areas and community facilities. Nasma Residences will be anchored by four community offerings: a 13-acre landscaped park with cycling and jogging tracks and large play areas; a community centre; medical clinic; the GEMS school; and Nasma Square, a retail mall.

Nasma Residences is located at the intersection of Emirates Road and Maliha Road, adjacent to the newly developing Tilal City, Tilal Mall and the new Sharjah Convention Centre. It is also just 15 minutes from Sharjah International Airport. The location is ideal for a convenient and traffic-free commute from Sharjah to Dubai or the Northern Emirates.

With homes ranging in size from 1,500 square feet to 4,400 square feet, complemented by generous plots, there is an offering to suit every prospective homeowner. With homes starting from Dh1,045,000, it offers an attractive opportunity for investors who want to buy in a lively new urban destination. ■

Arada to build Anantara Resort

An artist's impression of Anantara Sharjah Resorts

Basma Group and Arada have signed a management agreement with luxury hospitality group Minor Hotels to launch the Anantara Sharjah Resort. Scheduled to open in mid-2020, the 233-key Anantara Sharjah Resort will be located on a prime beachfront location in Sharjah.

The Anantara Sharjah Resort will offer a selection of accommodation options and facilities will include multiple dining options with a specialty restaurant located on a pier, spa and wellness centre and a ballroom able to accommodate up to 540 guests for a banquet. Sharjah's first Anantara resort marks a significant addition to the emirate's hospitality sector, which has seen impressive growth in recent years thanks to a long-term strategy implemented by the Sharjah Government. The emirate recorded a 17 per cent rise in tourist numbers in 2016, compared to the previous year, according to the Sharjah Commerce and Tourism Development Authority.

The Anantara Sharjah Resort is co-owned by Basma Group and Arada, with the latter playing a developer management role in the property. The announcement follows a busy year for Arada, which launched its first real estate project, Nasma Residences, in March, and Sharjah's largest mixed-use megaproject, the Dh24 billion Aljada city destination, in September.

Sheikh Sultan bin Ahmed Al Qasimi, Chairman of Basma Group and Arada, said: "Anantara is one of the world's most prestigious luxury hotel brands, and this new property marks yet another hospitality milestone for Sharjah. We're looking forward to launching the Anantara Sharjah Resort in 2020, and delivering on our commitment to providing exceptional new destinations to the residents of Sharjah, as well as tourists to our fast-growing emirate."

William Heinecke, Chairman and CEO of Minor International, said, "There is a huge opportunity within the luxury segment in this fast-growing destination and we are confident that Anantara will be well received within the market."

Minor Hotels currently operates 13 properties in the Middle East across four of its brands – Anantara, Avani, Tivoli and Oaks – and has a further strong pipeline in the region across these four brands. In total, the company currently operates 39 properties in 12 countries around the world.

Lootah reports 47% completion of buildings

Lootah Real Estate Development, a Dubai-based developer, said, it has achieved 47 per cent of the construction work on three new G+2 residential buildings within the Ewan Residences community.

The Dh500 million residential property launched in 2006 will now feature new additions to its residential buildings portfolio.

Ewan Residences is a unique family development designed specifically to meet the residents' suburban needs, while offering a secure and gated community with beautifully landscaped gardens, a recreation centre, swimming pools, jogging tracks and facilities that include a shopping centre.

Saleh Abdullah Lootah, Executive Director of Lootah Real Estate, said: "We decided to expand and enhance this community by adding 3 new buildings with contemporary design and premium quality without missing on affordability".

"By Q1 2018, the Ewan Residences community will welcome new residents and investors, offering them an all-encompassing community experience with residential and retail outlets blended with an array of leisure facilities reflecting the forward looking and community spirit of Dubai" he added.

OPINION

Innovation key for Africa's growth

CHRISTINE LAGARDE
Managing Director
International Monetary Fund

There is a direct link between roads, education and health systems and innovation. It is a powerful reminder that technological innovation requires a strong foundation to flourish.

This is what I would like to speak about today: The impact of technology for the economies of Africa and the new opportunities being created for the next generation.

Historic demographic changes require us – all of us – to focus on youth and assess the impact of these changes. This is a moment where young people can take their destinies into their own hands. In fact, youth in Africa already comprise 75 per cent of the working age population. By 2030, over half of new workers entering the global labour force will come from Africa.

With the right strategy, the demographic dividend can bring prosperity. This incredible surge could translate into a virtuous cycle of economic growth and development.

Clearly technology does not hold all the answers. In fact, technology often raises new questions, including about the impact of automation. But there is no doubt that technology is an important part of the story.

Outlook

Globally, the sun is shining through the clouds and helping most economies generate the strongest growth since the financial crisis. The IMF is projecting 3.6 per cent growth for 2017 and 3.7 percent for 2018.

Looking at the continent of Africa, the recovery is strengthening in many countries. Growth is expected to reach 2.9 per cent in 2017 and 3.5 per cent in 2018 and 2019. This topline number masks significant variations among countries. While nearly one-third of nations are growing at around 5 percent, others — particularly the commodity exporters — are seeing a slowdown due to lower commodity prices.

On a GDP per capita basis, 15 countries on the continent are expected to see a decline this year. This encompasses about 40 percent of the population.

And there are concerns on the horizon as well, even as the sun is shining. Indeed, as I have been saying recently, it is when the sun is shining that we have to fix the roof. One concern we see is a sharp increase in public debt, which has reached 50 percent of GDP in nearly half of sub-Saharan Africa's countries. This is a big cloud on the horizon.

How can we find a way to achieve lasting growth that is stronger and more inclusive, so that people across Africa benefit and see higher living standards?

In fact, youth in Africa already comprise 75 per cent of the working age population. By 2030, over half of new workers entering the global labour force will come from Africa.

– Christine Lagarde

Environment for Innovation

Too often, we see the endgame of innovation. A drone that delivers medical supplies in the Rwandan countryside, saving resources and more importantly saving lives. Or a social network for farmers in Uganda that creates an online forum for sharing crop information.

We tend to overlook the conditions that helped foster innovation and allowed it to grow. Consider financial integration, where new technology has expanded access to credit across Africa.

One of the prime examples is banking. In 2015, nearly 35 per cent of the adult population in sub-Sahara Africa had a mobile money account, the highest percentage in the world.

People are now more likely to have a mobile account in these countries than a traditional bank account.

What does it mean to have banking through your phone? Well, it may mean the difference between being approved for a loan or not. Or it may mean that someone who is losing his or her job can more easily face the hardship because friends and family can send money quickly.

In short, it can mean the difference between being empowered and being marginalised.

As more citizens access credit and achieve basic economic security, opportunities develop, aspirations grow, and a brighter future comes within reach. It also a critical factor in order to improve trust. Mobile banking can help eliminate the middle man and create more confidence throughout society.

The same is true when it comes to infrastructure investment. Perhaps the greatest obstacle to the development of manufacturing in Africa is the lack of sufficient and reliable electricity.

Hundreds of millions of people on the continent live without access to power on any given day.

Solar energy is one tool that is making a difference. The system has brought electricity to over half a million homes — helping remote areas come online while extending credit to those who need it the most.

Energy investment is a focus throughout Africa. ■

Rationalise Wage

Globally, spending on public wages absorbs around one-fifth of total government spending on average. This has important fiscal and macroeconomic consequences.

Moreover, the efficiency of public wage spending — as well as other public services — is crucial for the economy of any country, advanced, emerging market, or low-income. Such policies are essential if countries are to achieve strong, sustainable, and inclusive growth.

Our previous work has shown that the process of reforming public wage bills can be complicated and time consuming. It requires robust institutions and considerable political will.

Moreover, reforms have a better chance of achieving sustained success when they are part of longer-term structural reforms to the economy. This will be more effective than short-term measures such as freezes on wages or hiring.

Today we look at this topic through the lens of the Middle East and Central Asia. This is a region where policy makers are grappling with challenges related to public sector employment and wages. Addressing them will have important implications for economic welfare more broadly.

First, some countries are experiencing weak growth and high unemployment, with large numbers of young people entering the job market each year. This has put pressure on governments to find ways to generate jobs.

Second, many countries are facing a difficult budget environment, partly due to lower oil prices and falling foreign-exchange remittances. This requires fiscal adjustment.

Many countries are facing a difficult budget environment, partly due to lower oil prices and falling remittances. This requires fiscal adjustment... Wage bills in the Middle East and Central Asia are high compared to other regions. Average wage bills amount to 10 per cent of GDP, compared to 6 per cent in similar countries outside the region. Reforming public wage bills can make room for spending that enhances inclusive growth — including social protection — and promote higher and fairer growth in the Middle East and Central Asia....

Third, demands to improve the delivery of public services are increasing. But these services have fallen short of public expectations.

Finally, internal and regional conflicts have presented the challenge of managing unprecedented flows of refugees, migrants, and internally displaced people. This has placed immense burdens on government services across the region, further straining budget resources.

One key finding is that wage bills in the Middle East and Central Asia are high compared to other regions. Average wage bills amount to 10 per cent of GDP, compared to 6 per cent in similar countries outside the region. If anything, this highlights the macroeconomic significance of the issue at hand.

This is partly a legacy of the past, reflecting the prevalence of state-driven economic models in many countries. Government too often acts as an 'employer of first resort', and public sector jobs serve as social support. This strains resources that could be put to more effective use elsewhere.

In oil-exporting countries, we also see governments attempting to maintain social cohesion by offering high levels of compensation compared to the private sector. Needless to say, this has distorted labour markets and competitiveness.

In addition, the political instability and conflict across the region means that security-related employment is on the rise. This can have implications for public wage bills.

While the challenges of managing public-wage bills are perhaps most acute in the Middle East, there are also difficulties in the Caucasus and Central Asia. Public employment remains high in these countries despite slower government hiring during the transition to market-based economies over the past 25 years.

TAO ZHANG
Deputy Managing Director, International Monetary Fund

So what are the policy solutions? Allow me to offer the big picture: governments need to pursue wage bill policies that are fiscally sustainable and focused on providing effective and equitable public services. Reforming public wage bills can make room for spending that enhances inclusive growth — including social protection — and promote higher and fairer growth in the Middle East and Central Asia. This requires reforms that are sequenced and designed to work in synergy with other policies.

I hope this discussion, will stimulate the debate around this important topic. Indeed, we have already benefitted significantly from our dialog with civil society organisations and labour unions.

Our aim is to motivate better public service delivery. This, in turn, can support the broader reforms needed to increase private sector employment across the region — and boost sustainable and inclusive growth. ■

OPINION

2018: A Year of Massive Changes

STEEN JAKOBSEN
Chief Economist, Saxo Bank

In 2018, China's growing influence and position on the global stage will impact market prices and commodities against the US dollar.

With China controlling 50 per cent of growth and credit in the world, it remains the most important country in terms of its credit impulse and trending behaviours.

China will also be the main driver of one of the most significant innovations the world has witnessed – electrification – and, specifically, electric vehicles.

Oil prices may fall to as low as $35 per barrel in 2018, prompted by Chinese and Indian efforts to tackle pollution and the increased worldwide uptake of electric cars.

I think down the road, this whole electrification which is a big issue in 2018 will really kick off. The reason I think it will be big is that the single biggest issue in China is pollution and a way to deal with it is to get electric cars. On top of that, India has a similar problem.

The two most populous nations in the world will lead the charge towards electrification and as that happens investment into batteries and alternative energy will explode because this is going to be the single biggest concentration of growth in one sector since the internet. If you get better batteries, you reduce the demand for fossil oil.

With pollution standing out as China's biggest national issue, electric transportation will form a vital part of the country's ambitions for world leadership and the move towards electrification has gained in significance – courtesy of Volvo's 2020 plans to electrify its entire model lineup, while leading Chinese car manufacturer BYD expects all cars to be fully electrified by 2030.

The monopoly-like condition in the technology sector as something that could be on the radar in 2018.

Leading tech giants such as Google, Amazon and Apple – all operate under monopoly-like status and with little to no competition, which explains their massive profitability. These high profits are due to a lack of market regulation that allows big players to keep a monopoly pricing structure on their consumers leading to negative economic consequences on the future of productivity, investment, and research and development.

Bitcoin

Cryptocurrencies and bitcoin will be a focus in 2018.

Bitcoin is supposed to be a decentralised, anti-government and anti-establishment cryptocurrency but all the players are on the internet, which is the most regulated place in the world. Soon enough we will have an anti-government coin being regulated by governments. To some extent, this is a great irony.

Cryptocurrencies and bitcoin will be a focus in 2018. Bitcoin is supposed to be a decentralised, anti-government and anti-establishment cryptocurrency but all the players are on the internet, which is the most regulated place in the world. Soon enough we will have an anti-government coin being regulated by governments. To some extent, this is a great irony.

– Steen Jakobsen

The future market of Bitcoin is difficult to predict as, while cryptocurrency is popular because it trades like a one-way street – when there are bigger futures exchanges, such as CME and CBOE listing Bitcoin and cryptocurrencies, it will facilitate a two-way market where shorting will be easier.

The year 2018 will be the 'make or break' year for the US fixed income. We are either going to hit a 0 per cent or 3 per cent interest rate – if we break the 30-year down trend, it will be one of the biggest trend changes in my lifetime and lead to 80 per cent probability of a US recession next year. However, i expect the trend to remain intact with a potential for zero interest rates by 2019.

In the Middle East, events such as last year's fixed income issuance, the Saudi bond issuance, and capital markets being deeper in liquidity, all resulted in a positive year.

But I see a different regional pattern for 2018. The geopolitical risk the region has seen in 2017 will make foreign investors cautious and most of them have hit the pause button. This is going to have some negative impact on growth for the GCC, which I expects to hit 1.0 per cent for 2018.

Looking further forward, I believe, small and medium enterprises (SMEs) will have a bigger role to play in GCC economies.

In order to strengthen the economy, the SME sector needs to be a much larger part of GCC countries and their economies. The strongest economies in the world all have strong SME sectors and engaging SMEs is crucial for creating long-term growth through broadening the credit and productivity to a wider, more flexible private sector. ■

Mortgage on granted land

SHAHRAM SAFAI
Partner, Afridi and Angell

On 11 January 2017, Dubai Decree No. 31/2016 On Mortgaging Granted Lands in Dubai was issued (Decree). The Decree permits the holder of 'granted land' to mortgage such land subject to certain conditions.

It is expected that the decree will stimulate growth in Dubai by enabling developers, who hold granted land, to obtain finance for their projects by mortgaging the granted land.

The Director-General of the Dubai Land Department (DLD), Sultan Butti Bin Merjren, has said that the decree is a key legislative initiative that will have a positive impact on the real estate market.

The decree permits a holder of granted land to mortgage that land under certain conditions: if the granted land is residential, the money arising from the mortgage must be invested in maintaining, expanding, constructing or replacing the building...

– Shahram Safai

Granted Land

Granted land is land which has been gifted by the Ruler of Dubai to a UAE national, at no cost, for: commercial or industrial purposes; or residential purposes.

Granting land in this manner furthers Dubai's leadership vision of ensuring a dignified life for its citizens by enabling commercial and industrial assets to be developed, as well as homes to be built.

Granted land is subject to various restrictions. For example, granted land cannot be disposed of unless: the UAE national obtains special permission from the Ruler of Dubai; or in case of commercial and industrial land, the UAE national converts their granted title to freehold upon payment of a fee and in accordance with Decree No. 4 of 2010 on Regulating Ownership of Land Granted for Industrial and Commercial Purposes in Dubai.

New Decree

The decree permits a holder of granted land to mortgage that land under the following conditions: if the granted land is residential, the monies arising from the mortgage must be invested in maintaining, expanding, constructing or replacing the building; if the granted land is commercial or industrial, the monies arising from the mortgage must be invested to achieve the purposes of the original grant; and the mortgage must be registered with the DLD.

The DLD can only register a mortgage over granted land if: the borrowed amount will be used to achieve the purpose for which the land was granted; and the mortgagor has a construction license issued by a competent authority. If a mortgagor defaults, the decree provides mortgagees with a legal right to sell the granted land at public auction (and under the supervision of the DLD) provided that 30 days' notice is given to the mortgagor to rectify the default.

The decree follows previous Orders and Instructions in relation to mortgaging granted land.

Instructions issued on 20 September 1994 from the Ruler of Dubai – By these instructions, all mortgages over granted land were strictly prohibited, and any mortgage made in violation of this instruction was considered absolutely null and void.

Order issued on 14 May 1996 from the Ruler of Dubai – By this order, granted land (whether residential or commercial) could be validly mortgaged.

By these instructions, a mortgage over granted land could only be registered at the DLD if the DLD had verified that the amount of the mortgage was used for the construction of a building on the granted land; and payment of the mortgage funds had been made in such a way that ensured the mortgage was used for its intended purpose the mortgagor had a building license for the commercial development; and the mortgagor had obtained a no-objection letter from the Ruler of Dubai permitting the mortgage of the granted land. It is important to note that the decree provides that all prior regulatory measures that are inconsistent with the Decree's provisions will be repealed, including the above.

It is expected that the decree will stimulate growth in Dubai by: enabling developers, who hold granted land, to obtain finance for their projects by mortgaging the granted land; and encouraging banks to lend against granted land by providing them with: a legal right to sell the granted land at public auction (and under the supervision of the DLD) if the mortgagor defaults; and o a dispute resolution process. However, it is likely that further regulations will need to be issued to govern the implementation of the new Decree ■

OPINION

Manufacturing to Change in 2018

MONZER TOHME
Regional Vice-President for Middle East and Africa, Epicor Software

Manufacturing in the Middle East region, along with virtually all other industries, is going through a significant period of change. Driven by rapid technological development, manufacturers are having to work smarter, operate more efficiently and be prepared to innovate.

Over the next 12 months, these factors will be supplemented by a combination of political and economic upheaval that is likely to have far-reaching ramifications, such as geopolitical tensions, fluctuating currency rates and the implementation of VAT across the GCC.

In order to be able to respond to these changes and remain competitive, embracing innovative technologies is now more important than ever. For manufacturers specifically, relying on outdated software, when competitors are adopting Internet of Things (IoT) and embracing smart technologies, will hold them back.

Procrastination will make it significantly harder for a manufacturer to thrive and grow in today's fast-paced business environment.

As an enabler of growth, technology will play a key role in empowering businesses to innovate and embrace the opportunities that will present themselves in 2018. But where exactly are these opportunities likely to come from?

Flexibility

A key factor for manufacturing growth in 2018 and beyond will be whether businesses are flexible enough to be able to deal with the amount of predictable and unpredictable change coming their way.

One of the biggest barriers to flexibility for many local manufacturers is having to rely on an outdated enterprise resource planning (ERP) system. Too many businesses are still using legacy software, which can hold them back in several ways, such as making it harder to scale production up or down.

Integrated ERP systems enable manufacturers to rapidly respond to last-minute order changes and improve resource management to control spending and reduce waste. Having a flexible IT solution will be the engine of growth for forward-thinking businesses.

Industry 4.0

The growth of Industry 4.0 has been a widely discussed topic in 2017 and its steep upward trajectory is certainly going to continue.

For example, the International Federation of Robotics (IFR) predicts that more than 1.7 million new industrial robots will be installed in factories worldwide by 2020, representing an annual growth rate of 14 per cent.

Essentially, Industry 4.0 is about combining artificial intelligence and data science to realise the potential of the Internet of Things (IoT), but just having access to large pools of information is no longer enough. The important thing that manufacturers need to take advantage of, over the coming year, is using that data to gain insight, inform decisions, and drive better business outcomes.

As more and more 'smart' devices are integrated into organisations in 2018, Industry 4.0 will continue to dominate the manufacturing industry, offering valuable benefits including predictive maintenance of machinery and increased levels of automation to help manufacturers optimise their operations.

One example of this is for inventory control of spares and raw materials. Sensors are being used to identify stock levels and, based on historical information, automate the replenishment of these items. This innovation decreases production down time and ensures an optimised delivery schedule.

This is the mindset manufacturers should adopt when it comes to ERP. However, making the move towards a smarter ERP system can require a cultural shift as well as a financial investment for manufacturers.

ERP systems are already collecting more business data than ever before, but making sense of this data and taking action on it will be the key differentiator in the year ahead.

With the increasing amount of data being created by Industry 4.0, comes the opportunity to significantly enhance the customer experience. Success in 2018 will boil down to how well companies can differentiate themselves from the rest and focusing on the customer journey will be a key aspect.

Artificial Intelligence

Linked to improving the customer experience is the role of Artificial Intelligence (AI), which is set to have a profound impact on businesses in 2018.

AI in the form of predictive analytics can be used to produce deeper insights for specific business outcomes and make more sense of the mountains of data manufacturers are now collecting and storing.

More use cases will become apparent as the technology continues to develop, but what's already clear is that the potential of AI when it comes to ERP is significant.

For local manufacturers, this process starts by ensuring that internal software systems are fully supported with the latest updates, thereby enabling them to react to change. ■

Off-Plan in 2018

DHIREN GUPTA
Managing Director
4C Mortgage Consultancy

Off-plan sales offers and lucrative payment plans by developers were the leading themes in the Dubai property market in 2017, where off-plan projects market responded well than the resale real estate transactions in Dubai.

Developments like these are reminiscent of the growing maturity of the market. The year 2017 was all about off-plan and affordable properties and it seems 2018 will be a perpetuation of that.

To attract the buyer's interest, developers are getting innovative, they are bringing the projects with more and more attractive down payment or initial deposit price with flexible payment plans options over the construction period or the post-handover, which caters well both the affordable to a luxury segment of the market.

Undoubtedly, buying property during off plan construction comes with larger benefit as it presents selection of lower price with attractive payment plan structure, and on top of everything developer's promotional campaigns along with the long-term financial support system persuade the investors to capitalise the opportunity that predates well and gives a great income stance over the time.

Conversely, off plan property selection, gives the pleasure of being the first owner and the flexibility to choose floor and view. There are also some collective consequences like project delays or quality delivery of the final product, which needs attention when going to buy off plan. Hence, it's cautiously imperative to do the due diligence before purchasing an off-plan project.

> **Undoubtedly, buying property during off plan construction comes with larger benefit as it presents selection of lower price with attractive payment plan**

Due Diligence

An off-plan construction unit seems more striking to a buyer because it's always available at a discounted price lower than the market price and accessible with added flexible installment finance options by the developers, which simplify the end users burden and expected to be paid at the handover stage or the post-construction.

On the other hand, to ensure the best investment in off-plan, check before signing the contract, and perform some study about the developer if it's a small or unknown developer and understand their past delivery records.

Moreover, the Dubai Land Department has made it essential for developers to own the land where they want to build the property to prevent developers exit from projects before the handover. Read the fine print in the sale and purchase agreement, it should be cautiously done by the buyer along with the points related to forfeits in the case of project delays and reparation in case of cancellation. Make sure you calculate well the annual service charges. And understand linked buying cost which will entail four per cent of the property value to the land department for oqood registration, agent fees, and other miscellaneous charges to register the property.

If the process is being undertaken with thought and extra care, then investment in off-plan units could be a rewarding endeavour for buyers as it's more inclined to the market ebb and flow.

With the increasing number of off-plan projects, banks are even profound to backing the market with strong funding products. However, as per the UAE Central Bank, an off-plan investor get only 50 per cent loan to value (LTV) for the under construction unit purchase in Dubai. Bearing in mind the high-level threat in past years, banks have set some standards for the mortgagor and the developers to get entitled for. Besides, throughout the construction, the designated authorities follow and monitor the project well during the construction cycle, which boosts the bank's confidence in lending the projects.

Subsequently, it is always ideal to review potential mortgage options for the selected property before signing the agreement. Also, ensures the right calculation before concluding the property purchase process as off plan comes with a payment plan structure, which should fall well within the budget and payment time frame. Therefore, it's farsighted to consult with the lenders well in advance, if scheduling to mortgage your off-plan investment, to elude any difficulty at the later stage.

Moreover, once the project is at the handover stage or completed, the buyer is well entitled to higher percentage 50 per cent to up to 80 per cent depending on the current property value and the individual qualifying potential.

VAT

The implementation of 5 per cent Value Added Tax (VAT) is the major regulatory change this year, but it is still way below, what applicable in other countries. However, residential properties have been exempted.

Furthermore, Dubai real estate sector still provides a more secure platform for investors, where the transaction takes place in a translucent method, which increases investors' assurance and increases the market with more supportable growth. ■

Dubai's Dh376 bn GDP to grow 3.5%

Gulf Property Exclusive

Dubai Government expects its Dh376.8 billion (US$102.67 billion) economy to grow at 3.5 per cent in 2018, slightly lower than the UAE economic growth, pegged at 3.9 per cent, according to a news release issued by the Department of Economic Development (DED), the government's trade licensing body.

Dubai's real gross domestic product (GDP) at constant price recorded 2.9 per cent growth in 2016 to Dh376.8 billion (US$102.67 billion).

Growth in 2016 was supported by the success in key economic sectors, such as manufacturing, transport and storage, real estate, finance and insurance, wholesale and retail trade and tourism, it said.

The report approved by Sheikh Hamdan bin Mohammed bin Rashid Al Maktoum, Crown Prince of Dubai, also says that the emirate's GDP was expected to grow 3.2 per cent in 2017, at the backdrop of a global recovery and the government's economic initiatives.

Dubai Government is investing more than Dh15 billion in infrastructure – to expand the road network to ease the movement of people and goods across the emirate.

Dubai's economy, the second biggest in the UAE, is set to expand, thanks to rising domestic demand and recovery in the global economy, Sami Al Qamzi, Director-General of Dubai Economy said in a statement.

"The report shows that the prospects for the growth of Dubai's economy in 2017 is promising. Strategic initiatives adopted by the government of Dubai during the past years to cover Islamic economy and innovation as well as the Smart City programme and hosting Expo 2020 in addition to the mega projects announced by the government aimed at diversification and sustainability, including major road and transport infrastructure projects estimated at Dh15 billion, will take Dubai past various milestones and other major economies regionally and globally," Sami Al Qamzi, Director-General of Dubai Economy, said.

Dubai's real GDP, is projected to grow 3.7 per cent in 2019.

"The Government of Dubai has in recent years adopted a fiscal policy to rationalise public spending by reducing budget deficit as a percentage of GDP from 2 per cent in 2010 to 0.4 per cent by 2013," the report said.

"Dubai has since maintained balanced accounts in 2015 and 2016 following which the government adopted an expansionary fiscal policy to stimulate the economy.

"The emirate's success in reducing the budget deficit helped stabilise macroeconomic factors and resume growth in various sectors, especially banks, financial markets, trade, tourism and real estate."

One of the factors that boosted Dubai's ability to balance its budget was a drop in public investment spending as many major projects were completed. The ratio of investment to total public spending has dropped from a peak of 36 per cent in 2010 to about 17 per cent in 2016, passing a low ratio of 11 per cent in 2014.

Government revenues, totalling Dh46.1 billion in 2016, came from tax revenues (customs duty and taxes on banks), fees and fines, oil revenues and investment returns.

Inflation in Dubai fell from an annual rate of 3.7 per cent in 2015 to 2.9 per cent in 2016 after rising steadily from 1.3 per cent in 2013, due to slower price inflation in the housing, water, electricity, fuel and health sectors. In contrast, other major spending groups such as restaurants, hotels, food, non-alcoholic beverages, education and entertainment saw higher inflation rates in 2016.

Rising interest rates in 2017 coupled with a liquidity contraction suggest that inflationary pressures will remain moderate in 2018.

Foreign Direct Investment

Dubai received Dh25.5 billion in foreign direct investment (FDI) in 2016, becoming the 7th highest recipient of FDI in the world, as a city.

"Diversification and a relatively high degree of openness in Dubai along with the positive impact of global trends will boost economic growth in the emirate in 2018 and beyond," according to the Dubai Economic Outlook report released on Wednesday. "Dubai will achieve 3.5 per cent growth in 2018, also drawing on the continued recovery in global trade and the highest growth rates in most developed economies.

"Total FDI into Dubai stood at Dh270.8 billion between 2011 and 2015 and in 2016, the emirate ranked 7th among the leading cities of the world attracting Dh25.5 billion in FDI. As an open economy, Dubai is affected by global trends but FDI receipts are expected to recover in 2017-2018.

In terms of openness,

Dubai ranks third in the world after Luxembourg and Hong Kong, with a high degree of dependence on foreign trade for income. Dubai's openness ratio was 321 per cent in 2016, meaning that trade flows were more than three times higher than the net value added in the economy.

Trade

The total value of Dubai's trade in non-oil goods was Dh1.28 trillion (US$348.77 billion) in 2016, but its trade balance has been characterised by a permanent deficit as Dubai is a global hub for global and regional trade.

Dubai's imports are much more than its total exports as most imports are transported to other emirates and to neighbouring countries without them being registered as re-exports.

Dubai's official statistics are divided into 19 independent sectors and seven of these accounted for 77.2 per cent of Dubai's GDP of Dh376.8 billion in 2016. The sectors include wholesale and retail trade, transport and storage, financial services and insurance, manufacturing, real estate activities, construction, accommodation and food services, ranked according to their respective GDP contribution.

The wholesale and retail trade sector (which also includes the motor vehicles and motorcycles repair) is the largest sector in the economy of Dubai with an added value of Dh103.4 billion and 27.5 per cent of GDP in 2016.

The sector is the most heavily employed sector in Dubai and accounted for 22.4 per cent of the workforce in 2015. It plays an important role in supporting consumer spending in the economy and h its backward and forward linkages sustain economic activities in other sectors such as transport, warehousing, food and accommodation. Real value added by the sector was 1.3 per cent, less than the overall growth rate in 2016.

Foreign investment has helped turn Dubai into a global shopping and tourism destination. Gross fixed capital formation in wholesale and retail trade was Dh17.1 billion between 2013 and 2015 and total investment in the sector was Dh76 billion between 2011 and 2015. A

At A Glance

Dh376 billion
Dubai's Gross Domestic Product in 2017

Dh15 billion
Dubai Government's investment in infrastructure

Dh1.28 trillion
value of Dubai's total trade recorded in 2016

Dh46.1 billion
Dubai Government's budget in 2016

Dh5 billion
spending for Expo 2020 projects in 2018

Dh35.7 billion
added to Dubai economy by the manufacturing sector

Dh25.5 billion
foreign direct investment in to Dubai in 2017

Dh270 billion
total FDI attracted by Dubai between 2011 and 2015

labour-intensive but relatively low wage sector, wholesale and retail ranked seventh in terms of productivity in Dubai.

Industries

The manufacturing sector added Dh35.7 billion in 2016 - 9.5 per cent of GDP - and employed 250,854 workers in 2015.

It is the fourth largest sector in terms of value added and employment in the economy. The value added per worker amounted to Dh142,000 in 2015, 10th compared to other sectors. The related and smaller industrial sectors, such as mining, quarrying, electricity, steam and gas generation that have high levels of capital per worker, ranked first and second in terms of productivity, at Dh1.42 million and Dh910,000 respectively In 2015. The manufacturing sector saw a rebound in growth in 2016 with real output growing at 3.4 per cent, higher than the real GDP growth rate of emirate in the same period.

The Dubai Economic Outlook report identifies a number of key factors influencing the future of growth in Dubai in the coming period. The most important of these are the hosting of Expo 2020, the implementation of the Dubai Industrial Strategy 2030 and the Dubai 2021 Plan.

Expo 2020

The expo is expected to create 270,000 new jobs and attract around 25 million visitors to Dubai. The construction, transportation and storage sectors will benefit from the additional infrastructure required to accommodate the visitors.

Aggregate demand will be boosted by an additional Dh15 billion expected to be spent on roads and transport for Expo 2020 in government projects. The Dubai budget for 2018 has allocated Dh5 billion for 2018 and an equal amount for 2019 too.

Dubai's tourism sector will also benefit from Expo 2020 as the hotel and restaurant sector will generate additional revenues during the event period. The wholesale and retail sectors also stand to gain.

According to the International Expo Bureau, the cost of Shanghai Expo was about $4.2 billion and the profit achieved was $158 million. The six-month event drew 73 million visitors, including 4.25 million foreign visitors.

According to the MasterCard Global Destination Cities Index, Dubai has maintained its position as the world's 4th largest tourism destination (after Bangkok, London and Paris) in 2016. The 2016 mobile subscription index of the World Bank ranked Dubai the first in the world, with 235.2 telephone lines per 100 inhabitants, and 23.1 Internet lines per 100 inhabitants, which is higher than the GCC average.

The Government of Dubai is adopting policies to help increase the contribution of the industrial sector to the same or higher than in emerging and developed countries. The Dubai Industrial Strategy 2030 launched by the Government of Dubai in 2016, seeks to restructure the local economy in line with developments in the global economy, especially with regard to access to sectors with high value-add and competitiveness. ■

Danube sells Dh2.8 bn worth of properties

Gulf Property Exclusive

In less than three and a half years Danube Properties, part of the multi-billion dollar building materials supplier Danube Group, has launched nine real estate projects involving 3,165 residential units with a development value exceeding Dh2.84 billion, sold them off and delivered 302 units worth Dh270 million, while getting ready for a further 525 units, worth Dh850 million in a few weeks.

The rest of the Dh2.84 billion portfolio are all under various stages of construction and delivery, according to a top official.

Danube Properties has sold new homes worth Dh775 million in 2017 – a year perceived to be tough for real estate market – that reflects Danube's solid reputation as a developer.

This translates to a daily average sale of Dh2.33 million per working day throughout the year and reflects the developer's ability to sell homes despite tough market conditions as Danube gains investors' trust due to strong commitment and timely delivery of projects.

The company, in its fourth year of operation, has emerged as one of the top five private real estate developer in Dubai, due to its strong commitment to development and delivery as well as its strong selling power. The developer has sold 3,165 residential units in just over three years – somewhat unprecedented among the private sector developers.

"The year 2017 has been very significant for Danube Properties as we started delivering our promises – the dream homes to our clients – in this landmark year when we sold Dh700 million worth of properties," Atif Rahman, Director and Partner of Danube Properties, said. "In 2017, we launched two new projects – Resortz and Bayz – together having 875 apartments with a combined development value exceeding Dh750 million, with more than 90 per cent sold out.

"So far, we have sold out almost all of the projects that we launched since the announcement of our first project in June 2014. We have delivered 302 residential units in Glitz Residences I and II at Dubai Studio City in 2017, while 525 more units are being readied for handover in the next few weeks.

"We also awarded five construction-related contracts with a combined value exceeding Dh391 million in 2017 – a year it started delivering homes."

Atif Rahman, Director and
Partner of Danube Properties

Resortz, Danube Properties' eighth project, that is currently under construction

These include a Dh221 million main construction contract recently awarded to Naresco Contracting LLC to deliver Miraclz Tower near Miracle Gardens at Arjan that will host 599 units including 591 apartments. The 28-month contract will see the project delivered by the end of 2019.

The company has also awarded a Dh146 million contract for the main construction package for the Resortz project to Dubai Walls Construction. The 17-month contract will see the project gets ready for occupancy by the second quarter of 2019. Resortz will host 444 units including 419 apartments, 25 retail outlets, landscaped environment that appears more like a five-star resort, than a residential compound.

Prior to that, Danube Properties awarded a Dh10 million piling and shoring contract to Atlas Foundation for Miraclz Tower and a further Dh4 million earthworks contract for Resortz project.

Recently Danube Properties has awarded a Dh10 piling and shoring contract for its latest project – Bayz at Business Bay to Atlas Foundation.

"So, as it stands, over 95 per cent of our consolidated project launch are sold out. All our announced projects are either in the final stage of delivery or progressing well with construction – that reflects our strong commitment to the property buyers," Atif Rahman said.

"As a developer, we launch a project once the majority stock in our previous project is sold and we have commenced construction it helps us to ensure smooth delivery of every project we introduce in the market. Once we close the sale, we then put the project on tender followed by its construction while the buyers keep making payments as per agreed payment schedule.

"This process helps us to responsibly complete each stage of the project – from concept, design, secure permission, sale and marketing, tendering, construction, completion, payment and delivery to complete the life cycle of the project.

"These construction contracts reflect our deep commitment to our largest stakeholders – our valuable property buyers and investors – who have put their trust and hard-earned life savings in our projects to re-

ceive the keys to their dream homes."

Danube Properties, part of Dubai-based diversified conglomerate Danube Group, has launched nine residential projects, of which two have been delivered, two are getting ready for delivery while four others are at various stages of construction and one in tendering stage.

The company has one of the fastest development-to-delivery ratio in the region's real estate market where timely delivery of properties remains a major challenge. That way, Danube Properties' performance in construction and delivery is helping strengthen buyers' trust in real estate.

In an exclusive interview with Gulf Property, Atif Rahman, Director and Partner of Danube Properties, elaborated his thoughts on a number of issues. Excerpts:

Gulf Property: What is your view of the current global economy?

Atif Rahman: It has been fluctuating and I believe it is largely impacted by political situation more than crude oil or financial bourse performance.

It creates uncertainty which leads to holding back of financial decisions both from businesses as well as individuals.

I believe 2018 has a bright outlook with most of such events settling and like there is saturation for economic boom, the same stands true for a slowdown. We are all set for a good run in 2018.

With fluctuating oil prices, what is your view of the GCC economy. How do you see the economies shape up in the next three to five years?

While crude oil remains an important contributor to the GDP of the GCC, the price of it has become more of sentiment matter than real impactor on the economy.

The fact that it has been trading at more economical levels for a considerable amount of time, there is an imminent increase expected. The proof of it was seen in the Dec-2017 rates when hit a 30 month high. The outcome of the OPEC meeting in which the members unanimously agreed to keep the cut on the production through the next year shall help increase in price further.

I also believe that all GCC countries through some

Atif Rahman Director and Partner of Danube Properties

"As it stands, we do not have any unsold projects now. All our announced projects are sold out and remain either in the process of delivery or construction – that reflects our strong commitment to the property buyers..."

– Atif Rahman
Director and Partner
Danube Properties

strategic planning have continued to reduce dependency on oil income and will continue to do so. This in turn will result in much stronger economy.

What is your view of the current real estate market situation in the GCC, especially, Saudi Arabia, Oman and other countries?
I was recently in Saudi Arabia for a meeting with some officials at Ministry of Housing and what a welcome change I witnessed.

There is new energy in Saudi Arabia and some robust planning maturing to strengthen the market. Looking at some of the facts clearly show demand further strengthening for residential properties specially in the affordable segment.

The infrastructure spending continues to increase with some mega projects like Red Sea, airport expansions, metro should further boost the prospects of real estate industry in Saudi Arabia. Oman on the other hand is an emerging market specially for freehold projects. There seems to be lack of clarity and regulation which once in place will add sugar to the industry. Bahrain has largely remained stable with limited supply adding to its inventory.

What is your view of the current real estate market situation in the UAE – in terms of demand and supply situation?
UAE real estate industry is attractively placed. It's one of the most matured and strongly regulated real estate industry not just in GCC but internationally, the reason why leading economies like India have looked at Dubai for inspiration and consultation for their RERA formulation.

I have always maintained that we are fortunate to be operating under the most proactive government in the UAE. A run through the real estate laws since the freehold ownership was allowed and until date will enable you to understand how swiftly and efficiently the government has reinforced the industry.

Alongside the security that prevailed with some of the best laws, the government continued to invest on infrastructure which is second to none. Add to that the attractions which continues to surprise the world.

Let me ask you this question, name one single country which has the best infrastructure, maintains lowest crime rate, has one of the largest airlines and best airport, holds internationally renowned sports championships including golf tournaments, tennis, formula

Atif Rahman Director and Partner of Danube Properties, at his office

one, water sports etc, has one of the rarest art museums now open, has built the tallest tower, has the tallest and the best hotels, offers one of the best shopping experiences, has its indigenously developed theme park, has the most uniquely designed man made islands, has one of the finest port infrastructure, is worlds number one donor, has ministry of happiness and many more such unique things, the answer is the UAE.

And I believe that the best is yet to come, look at the projects which are under execution Museum of the future, innovation hub, D3, Dubai Safari and Dubai Frame. I say this with pride that it is difficult to compare UAE with one single country because it is number one in many aspects.

There is a feeling of oversupply looming. What is your view on that?

The current supply is ranging between 12,000 to 14,000 homes per annum and I feel it is in line with the population growth.

I always say this, do not go by the announcement of projects, they are part of the future delivery and will get consumed with the growth in population. Above all, as I mentioned the government is always closely watching the data, in case there was such a situation the stringent regulations are well in place to control that. Lets look at some figures, with a conservative estimates of increase in population of 0.5 Million until 2020 with 40 per cent of that accounting for families of four, we require minimum of 40,000 new homes and that is in equilibrium with the current supply.

The current slowdown in Dubai's real estate market that started in 2014, is expected to bottom out. Has the market returned to the growth mode?

I believe correction is the more appropriate term than slowdown and this is organic part of any market where it adapts to the changing demands and needs.

I am of the view that with the previously mentioned advantages and attraction, Dubai real estate prices are still very economical in comparison to some of the other markets which lack such regulation, infrastructure and catalyst. Now that the Expo is a more forceable future,

Danube Project Portfolio

Danube Properties has a portfolio of 3,165 residential units spread across nine residential projects with a development value exceeding Dh2.84 billion, including 171 townhouses. It has delivered two projects with 302 units, worth Dh270 million while two other projects involving 525 units with a combined development value exceeding Dh850 million are set to be handed over in the next few weeks.

In 2017, the developer launched two projects with a development value exceeding Dh750 million and sold homes worth Dh700 million while it awarded construction contracts worth Dh391 million in the last 12 months.

Following is a snapshot of Danube Properties' properties:

Projects	Residential Units	Dev. Value	Status
Dreamz	171 Townhouses	Dh500 million	Ready for Delivery
Glitz I	151 Apartments	Dh135 million	Delivered
Glitz II	151 Apartments	Dh135 million	Delivered
Glitz III	354 Apartments	Dh350 million	Ready for Delivery
Starz Tower	452 Apartments	Dh300 million	Under Construction
Glamz Tower	418 Apartments	Dh270 million	Under Construction
Miraclz Tower	591 Apartments	Dh400 million	Under Construction
Resortz Tower	419 Apartments	Dh300 million	Under Construction
Bayz	456 Apartments	Dh450 million	Tendering Stage
Total 9 Projects	3,165 Residential Units	Dh2.84 billion	Development/Delivery

we will start seeing the impact on the market from 2018.

The works on UAE pavilion has already commenced and other participating countries will be allowed access to the site from early next year. It's a magnanimous event and I strongly believe with the reputation the UAE has created over the years, it is going to be one of the best ever. The biggest advantage of the event is that several businesses will witness Dubai and UAE as the ideal platform for trade, especially to cater to the massive ME market. This is going to further boost the reputation of UAE for increased investment.

The GDP and the real estate industry is set to get a sizeable boost from this. Dubai is one of the safest place to invest in real estate and will continue to deliver return on investment better than most of the other markets internationally.

With real estate prices coming down to as low as Dh280,000 for a studio flat at Dubai South, to Dh370,000 at Meydan – how far do you think this might go down to?

That's the dynamism of the industry that while you can acquire real estate at such economical prices, there are properties trading at many times more.

This is also a sign of the maturity of the industry that it is not just catering to luxury or super luxury segment but there are offerings for every category. What you need to carefully look at is what you are getting for the price, in terms of locations, size, design, amenities, quality of construction etc. If you carefully look at some of the properties the ticket price might have reduced but not the per sq ft rate implying that the visible change in price also owes to the offering. The price of any real estate is a combination of land price along with the construction cost and the developers margin. I have always focussed on value engineering along with material selection and price negotiation for bringing down the outlay thereby reducing the cost of acquisition.

I also recommend buyers to distinguish between affordable and cheap, do not compromise on location as well as quality of construction as these aspects cannot be changed once you have bought your property. Like for example, all our properties while are affordable for our target audience they come with world class amenities and supreme quality of finishing and in decent locations.

How is the current downward trend affecting your own pricing?

We have maintained our price point through the last few years, this is also an indication that market has been stable and not sluggish as lot of people have perceived.

The fact that all our properties have been largely sold out further adds to the strength of the demand. I am of the opinion that there is always a market for the right product at the right price. We have continued to work hard on our real estate offering by upgrading the features, quality and amenities. I also maintain that every property is affordable but for its target market.

Our affordable homes are for the mid-income segment and we promise to continue to deliver the best price and value in this segment.

The new property law issued last month – what is your view on that and how will it affect your business?

Well, the law has remained largely the same except that it has empowered the developer to execute the termination of agreement for severe defaulters through the authority.

The guidelines of the law remains unchanged which is very simple, the developer whose project construction is progressing well can terminate a customer agreement who has paid considerably less than the construction progress through the Land Department without involving the court.

As such the regulation is extremely buyer friendly and penalises any severe default. This was an important amendment as in few cases some non-paying buyers can affect the project delivery adversely, in such scenarios the developer can terminate the agreement and resell the property in interest of the project. It does not impact us much as our default rate is well below 1 per cent.

We screen our property

At A Glance

Dh2.84 billion
development value of Danube Properties projects

Dh775 million
worth of homes sold by Danube Properties in 2017

Dh850 mn
worth of homes are to be delivered in a few weeks

Dh391 million
worth of construction contracts awarded in 2017

buyers with a cap on the maximum number of property an individual can buy from us. This helps us save from such unwanted situation of customer default. I have also always promoted the idea of working with the customer in case of payment default unless the buyer is not ready to cooperate at all.

Dubai Land Department has issued another directive that developers must put 50 per cent equity before a project could take off for marketing and sales. How do you see this affecting the sector – especially the smaller developers, who rely on the sales proceeds to complete the project? They might go out of business.

This is another change which will limit entry of developers with less capital into the market thereby also controlling the supply.

The industry is matured and requires businesses with financial muscle and stronger planning in order to insure the market against non-delivery. I want to highlight that if any business fails in an industry the affect is felt by the businesses which are continuing and not the one which shuts down.

The industry needs to be protected against such risks of default. At the micro level, this also becomes another incentive for the developers to complete the project faster in order to release the guarantee. And, lets not forget that every project delivery reinforces the belief in the developer and the industry. This law is for sure going to further boost the consumer confidence in Dubai Real Estate and also control the supply.

The residential properties have been exempted from VAT. You must be very happy. Kindly share us your thoughts on this.

Indeed and it was expected from the government agency. VAT is not an overnight subject and the government must have spent years and months analysing the data and areas of impact.

There is already 4 per cent registration charges levied on the property purchase and any addition to that would have had negative impact on the transactions. There is no doubt that VAT is going to result in two direct benefits, increased transparency and greater spending on infrastructure. This can also be viewed as governments support for boosting the affordable housing segment.

Danube has a knack in marketing, selling and branding – that has worked very well in each of your projects so far. How did you manage to get all of your projects sold out so far – especially when the market was on a downward trajectory?

There are a combination of many reasons which has helped us achieve the consistent sales success.

Danube is now a 24 years old credible brand and it won't be wrong to say that we are now a household name which people trust, this is one of the biggest factors why consumers have believed in us. Coupled with that is our experience in construction industry which helps us identify best locations, design, amenities and quality of finish.

Our expertise in building materials helps us offer the best at the lowest price. And icing on the cake is our pay-

Project Update

Following update us on your projects – the ones announced and the possible construction and delivery timelines for:

Dreamz – The construction works on all the townhouse have been successfully completed and we are now in process of getting the electricity connected.

The works has been progressing well on both HV and the LV line with all necessary equipment delivered from the authority. It's a horizontal project and took longer than expected on the infrastructure works. We have also made several upgrades inside each townhouse and the quality of finish has been liked by all.

Glitz I & II – We delivered the project and more importantly with several upgrades and on time.

Glitz III – The construction works have almost been finished and we are preparing for authority inspections for completion certificate.

Starz – We encountered cavities beneath the excavated level which pushed the project behind by 6 months.

It was important for us to act in a responsible manner and we decided to use on of the best techniques for soil improvements by preparing 506 pile bed beneath the raft foundation.

To ensure quality construction, soil tests along with plate load tests were performed again before starting the sub-structure works. The superstructure has been progressing fast since after that and we are now at the slab 10 above the podium parking.

It is worth sharing that we have recovered almost 40 per cent of the time lost in soil improvement.

Glamz – The project has been progressing well on schedule and we anticipate to complete the project on time.

Miraclz – The project is a high rise and required further reinforcement in the foundation which have been performed.

The pile cutting has been completed now marking the completion of enabling works and the main contractor already mobilised to start the main construction works. It's a 28 month build plan from here onwards.

Resortz – The enabling works have been completed and the main contractor has already commenced the construction works with the PCC works progressing well. The project is progressing well on schedule.

h. **Bayz –** We are waiting for shoring permit with the earthworks contractor already on board. We shall start the enabling works immediately after receiving the permit from the relevant authority. ■

Rizwan Sajan (2nd right), Founder Chairman of Danube Group (2nd right), flanked by Anis Sajan, Managing Director of Danube Group (Right), Adel Sajan (Left) Danube Group Director and Atif Rahman (2nd left) Director and Partner of Danube Properties, seen with a model of Bayz by Danube – the company's ninth and last project announced in 2017

ment plan which further helps the property buyers in acquiring the real estate from us. In a nut shell, Danube offers you the security of investment while buying the best in its class property with the ease of payment plan. We have always believed that marketing is communication so it becomes our vital tool to reach out to our target audience.

When are you planning to launch your next project?
We have always expanded in an organic manner with one project at a time strategy. We launch a project, sell it 80 per cent or more, start the construction and then launch the next one.

In line with this, now that our last launch Bayz By Danube in Business Bay which is now almost 90 per cent sold, we are planning to launch the next one in Jan-2018. Its going to be yet another attractive project from us in an excellent location with some unique value additions.

How are you funding the construction of these projects?
The construction of the projects are largely funded by the sale proceeds with our corporate funding securely in place for contingency wherever the situation might demand.

The money from customer goes into the Escrow Account which pays the contractor as per the construction progress in arrears. I believe construction is a very dynamic and multi-layered industry which demands robust planning from the feasibility stage.

Once the projects are sold out the top line is fixed, you need to manage the construction and its cost with ample contingency in place to ensure smooth flow of construction. Inflation in price of material, shortage of manpower can all lead to deflections if not controlled efficiently risking a dent in bottom line.

Our expertise in construction material, acquaintance with all major contractors, control on the supply chain and robust planning helps us deliver projects with relative ease. With Danube your investment is safe and we will always strive to deliver better than what we have promised in reasonably good time with handsome return on investments. ■

Dubai land deals up 6% to Dh285bn in 2017

Gulf Property Exclusive

Property and land transaction value in Dubai increased 6 per cent to Dh285 billion (US$77.65 billion) in 2017, up from Dh269 billion recorded in 2016, according to Dubai Land Department.

The total real estate transactions reached 69,000 in 2017 with value exceeding Dh285 billion – higher than the individual nominal gross domestic product (GDP) of more than 125 countries in the world.

The report states that the real estate transactions for 2017 have increased by 6 per cent in terms of number, and 4 per cent in value when compared to Dh275.8 billion for 2015, and increased by 14 per cent in number, and 6 per cent in value compared to Dh268.7 billion for 2016.

The sales of land, buildings and units in the Dubai real estate market totalled Dh114 billion through 49,000 transactions, while mortgages for the same three categories reached Dh138.5 billion through 15,700 transactions. There were approximately 4,000 other transactions valued at approximately Dh33.3 billion, where the total turnover for the year 2017 was Dh285.56 billion from 69,000 transactions.

Sultan Butti bin Mejren, Director General of DLD, said: "The figures disclosed in the report for total transactions including sales, mortgages and others, confirm the current strength of the Dubai real estate market, in particular when compared against the past two years — 2015 and 2016.

"The 2017 report sends reassuring messages of renewed cycles of growth in the coming years, especially when we take into account the modern-day infrastructure that exists in Dubai. The numbers and figures contained in the report confirm the strength of the Dubai real estate market and its ability to grow from year to year. Among the positive signs of the report is the lead UAE nationals have in investments, as well as the diversity of the investor base which reflects the attractiveness of the Dubai real estate market to global investors."

The number of real estate permits during the same pe-

At A Glance

Dh285 billion
total value of land transactions in 2017

Dh269 billion
total value of land transactions in 2016

Dh275 billion
total value of land transactions in 2015

Dh25.3 billion
investment by UAE nationals in Dubai real estate in 2017

Dh15.6 billion
investment by Indians in Dubai real estate in 2017

Dh7 billion
investment by Saudis in Dubai property in 2017

Dh6 billion
investment by the British in Dubai realty in 2017

Dh5 billion
investment by Pakistani nationals in 2017

> **"The report confirms the current strength of the Dubai real estate market, in particular when compared against the past two years — 2015 and 2016...."**
>
> **– Sultan Butti Bin Mejren Director-General of Dubai Land Department**

riod was 12,407, and the number of real estate offices reached 2,256.

Areas in High Demand

The report also reveals the top ten real estate sales areas in Dubai, with 'Burj Khalifa' taking first place in terms of value with 2,008 transactions worth Dh7.36 billion.

Business Bay followed in second place with 3,763 transactions worth Dh7.115 billion, while Dubai Marina took third place with 3,300 transactions worth nearly Dh7 billion.

Hadaeq Sheikh Mohammed bin Rashid came in fourth place with 1,948 transactions worth Dh5.67 billion and Al Barsha South Fourth ranked fifth through 3,138 transactions worth around Dh4 billion in value. The other five places went to Jabal Ali First with 2,750 transactions worth Dh2.48 billion, Al Yufrah 2 with 1,827 transactions worth Dh2.38 billion, Al Yelayiss 2 with 1,883 transactions worth Dh2.26 billion, Madinat Al Mataar with 2,365 transactions worth Dh2.13 billion, and Al Warsan First with 1,831 transactions worth Dh1.87 billion, respectively.

Attractive areas

In terms of mortgages, Palm Jumeirah topped the list with 731 transactions exceeding Dh12 billion in value, followed by Business Bay with 769 transactions worth nearly Dh6 billion.

Dubai Marina ranked in third place with 1,127 transactions worth over Dh3.7 billion, Al Barsha South Fourth came in fourth place with 670 transactions worth over Dh2.6 billion, and Burj Khalifa placed fifth with 545 transactions worth over Dh2.5 billion. The other five places went to Al Thanyah 4 (Dh2.30 billion), Al Thanyah 5 (Dh2.28 billion), Jebel Ali First (Dh1.06 billion), Al Yelayiss 1 (Dh932 million), and Al Thanyah 3 (Dh927 million) respectively.

Bin Mejren concluded: "Such results would not have been possible without our firm commitment to the vision of our wise leadership, and our keenness to achieve the highest levels of excellence in our innovative services that will reassure all segments of investors, allowing Dubai to remain an attractive investment environment for investors seeking a safe return on investment. That is clearly seen through the base of investors of more than 200 nationalities from all continents of the world." ■

COVERSTORY

Indians invest Dh15.6bn in Dubai realty in 2017

Indian investors top the list of foreign nationals with Dh15.6 billion investment in Dubai's real estate in 2017, according to Dubai Land Department.

Although this is higher compared to Dh12 billion invested by Indian nationals in Dubai's real estate in 2016, this is still lower compared to the peak figure of Dh20 billion invested by Indian nationals in 2015, Dubai Land Department statistics show.

Indians bought property worth Rs420 billion in Dubai from January 2016 to June 2017, making them yet again the top foreign property investors in the emirate, according to the Dubai Land Department.

"For years, Indians have consistently been the most prolific non-GCC buyers of Dubai real estate. From January 2016 to June 2017, they bought property worth more than Rs42,000 crores in the emirate," said an earlier statement from Dubai Property Show.

A recent Knight Frank report says, from 2012-17, Indian residential property buyers have seen an overall return of 49.3 per cent, the highest in the world. Dubai is among the most affordable property destinations, and the strengthening of the rupee further nudged investors in this direction."

In the last three years, Indian nationals have invested a total of Dh47.6 billion (US$12.97 billion).

However, the UAE nationals were the largest investor group in Dubai's real estate sector with Dh25.30 billion (US$6.89 billion) in 2017.

Dubai's real estate market has attracted investors from around the world, including Gulf nationals, Arabs and foreigners, with a total of 39,480 investors making nearly 53,000 transactions worth more than Dh107 billion Dubai Land Department said in a report issued in January 2018.

According to the same report, over 9,790 Gulf nationals made 14,381 transactions worth more than Dh37 billion. The Dubai real estate market attracted nearly 7,000 Arab investors who closed 8,644 real estate transactions worth over Dh14 billion. There was also a high level activity among foreign investors, with nearly 23,000 investors making approximately 30,000 transactions worth approximately

Dh56 billion throughout 2017.

In a report issued by Dubai Land Department in August last year, the department said, "217 nationalities have invested a total of Dh151 billion in Dubai's real estate market. This demonstrates the confidence that the world has in our real estate environment, which is characterised by a strong regulatory system that provides safety and security for all parties."

Sultan Butti bin Mejren, Director General of Dubai Land Department, said, "We are pleased to have witnessed such a high level of interest from global citizens in Dubai, who have invested over Dh151 billion across 71,000 real estate transactions in just 18 months."

However, in additional to investment in residential and commercial units, Indians, Pakistanis, Iranians and Arabs are also some of the largest private sector developers who are developing not only towers, but mixed-use, master-planned communities also.

Among the foreign-owned private property developers, Sobha, Danube Properties, Azizi Developments, Diamond Developers, Shaikhani Group, Schon Properties, among others are making headlines on new real estate projects.

Top Investor Groups

The UAE investors continue to lead the list of nationalities investing in the Dubai real estate market, where the value of their investments amounted to Dh25.30 billion.

The second place was for Indian investors who invested Dh15.6 billion.

The Saudis came in third place with investments exceeding Dh7 billion, followed by British and Pakistanis whose investments amounted to Dh6 and Dh5 billion, respectively.

Other active investors include Chinese, Jordanians, Egyptians and Canadians.

Women Investors

The contribution of women to real estate investment is growing, with their trust in the Dubai real estate market reflected by 11,773 women entering the market and making a total of 14,316 transactions worth over Dh27 billion.

Brokers' Earnings

Real estate brokers in Dubai earned up to Dh1.77 billion for their role in completing sales of land, buildings and residential units.

The number of registered real estate brokers reached 6,195 in Dubai, Land Department said.

The brokers' share of earning included Dh840 million from land sales, which came close to Dh42 billion. They also earned Dh133 million from sales of buildings, which exceeded Dh6.6 billion, and with commissions amounting to Dh794 million from sales of units worth Dh40 billion. In this regard, the value of broker commissions is calculated by calculating (2%) of the total actual sales.

The number of real estate permits during the same period was 12,407, and the number of real estate offices reached 2,256. ■

Indian investment in Dubai's realty to jump

Gulf Property Exclusive

The total value of land and property transactions in Dubai by Indian nationals have touched Dh20.94 billion (US$5.7 billion) through 7,810 investments carried out by 6,150 investors, while the value of Indian investments reached Dh14.18 billion in the first 11 months of 2017.

This is way above Dh12 billion total investment concluded by Indian nationals Dubai's real estate market in 2016 and Dh20 billion in 2015.

A total of 1,295 Indian brokers are employed in Dubai's real estate market, and over the same report period they earned commissions of Dh226 million at the rate of 2 per cent of the sales they made.

Indian nationals are among the highest investors in Dubai's real estate market.

Meanwhile, Dubai Land Department (DLD) has signed a strategic partnership agreement with Q4 Consultants to promote investment among Indian investors.

Under the terms of the agreement, the Indian company will act as a Real Estate Promotion Trustee, supporting DLD in its mission to consolidate Dubai's position as the world's premier real estate destination for innovation, confidence and happiness. Q4 Consultants will also promote attractive investment opportunities that can be enjoyed by Indian investors in Dubai's real estate market.

The agreement was signed by Sultan Butti bin Mejren, Director General of DLD, and Deepak Batra on behalf of Q4 Consultants.

Sultan Butti bin Mejren, Director-General of DLD, said: "We place a high priority on the Indian market, especially as Indian investors occupy a leading position among the top three nationalities investing in Dubai each year. India has huge numbers of investors looking for exceptional international investment opportunities, and Dubai is certainly able to answer this demand with its diverse investment options and attractive real estate environment."

The agreement follows a similar agreement with a Chi-

DLD launches Cube – one-stop service centre

Dubai Land Department said, it has launched the Cube, a one-stop shop that brings 15 different types of public services under one roof for investors and customers that reduces procedures in one day instead of 10.

The Cube, a new customer service centre, is located on the third-floor of its headquarters, to provide real estate investors with exceptional services. The Cube has been established in collaboration with a number of key partners including the General Directorate of Residency and Foreigners Affairs in Dubai, the Dubai Police General Command, the Dubai Health Authority, the Department of Economic Development in Dubai, and the Federal Authority for Identity and Citizenship.

"In line with the vision of His Highness Sheikh Mohammed bin Rashid Al Maktoum, Vice-President and Prime Minister of the UAE and Ruler of Dubai, the Dubai Land Department is upgrading its services to reach a seven-star level. The department is keen to satisfy its customers and meet the aspirations of investors by providing them with the very highest standards of service. The Cube project also contributes to positioning Dubai as the best place to live and work, attracting foreign capital, and encouraging direct and indirect investment in support of Dubai's economy," a statement said.

Majida Ali Rashid, Assistant Director-General and Head of the Real Estate Investment Management and Promotion Center at Dubai Land Department, commented: "We have established Cube In line with the directives of our wise leadership to further develop our services. We will achieve this through our continuous efforts to provide the highest quality services to real estate investors in one location, allowing them to complete all of their procedures easily and conveniently. The project is aligned with our future strategy and our vision to make Dubai an innovative and sustainable global real estate environment, as well as the happiest city in the world, thanks to its intelligent and accessible services.

"This initiative is a major step in our approach to providing all real estate services in a way that ensures an easy and efficient investment experience for our customers. As Cube provides all services for all official entities under one roof, we are confident that it will achieve its objectives, the most important of which is providing unprecedented levels of service to customers who wish to benefit from Dubai's unique investment environment."

The Cube reduces both effort and time for real estate investors by providing all services in one location, rather than the previous 15, and by completing procedures in one working day rather than the previous 10. The centre will include all government and private entities, such as the General Directorate of Residency and Foreigners Affairs, the Department of Economic Development in Dubai, the Federal Authority for Identity and Citizenship and the Dubai Police General Command, as well as medical centres, printing offices and insurance companies.

Dubai Land Department was found in May 1960 to establish the most prominent real estate sector in the Middle East and in the world. ■

nese brokerage firm UC Forward by Dubai Land Department, signed in September 2017 and reflects Dubai Land Department's pro-active drive to attract more foreign investment into the Dubai real estate market where increased deliveries could create a potential housing glut in the next few years.

Developers are delivering around 55,000 homes between 2017-18 while more and more projects are being initiated. Aziz Developers has launched two master-planned communities – Azizi Riviera and Azizi Victoria – with a combined development value exceeding Dh37 billion involving more than 40,000 homes to be delivered in the next three years.

With sound regulatory environment, Dubai's real estate market is well-poised for fresh foreign investment as investor protection scheme in Dubai is almost air-tight.

The new agreement will enhance real estate promotion in India and encourage greater investment from Indian investors. Q4 Consultants will provide real estate promotion services in India, including customer inquiry services, to attract investment and introduce investors to DLD's services. The company will also support DLD by participating in real estate promotion exhibitions and workshops organised by the department and its partners in different areas of India.

Majida Ali Rashid, Assistant Director General and Head of the Real Estate Investment Management and Promotion Center, the Investment arm of DLD, said: "This agreement demonstrates our keenness to strengthen cooperation between a select group of real estate promotion professionals in a number of countries in order to attract local and foreign investors to Dubai. We are confident that our agreement with Q4 Consultants will help us achieve these goals."

Deepak Batra from Q4 Consultants added: "We will promote Dubai's real estate investment opportunities while also helping Indian investors to learn about the relevant laws and regulations, and assisting them by using the language they prefer to communicate in.

"As a result, they will become familiar with Dubai's investment climate, how it works, and the attractive opportunities it offers. We look forward to creating a platform where Indian real estate investors feel welcome, safe and protected."

Dubai Land Department has recently concluded a number of international roadshows to promote inward investment in Dubai's real estate. ■

Property Festival to boost realty sector

Gulf Property Exclusive

Dubai Land Department, the real estate registration, promotion and regulatory arm of Dubai Government, announced the launch of Dubai Property Festival (DPF), a three-day sales and purchase event to be held at the Dubai World Trade Centre April 9 – 11, coinciding with a series of events in Dubai aimed at attracting global investment to the UAE.

The festival is expected to generate considerable buying and selling activity by hundreds of participants including property developers, brokers, lenders, mortgage providers, investors and home buyers. DPF will help to further stimulate the emirate's buoyant real estate sector.

During a press conference, Sultan Butti Bin Mejren, Director-General of Dubai Land Department (DLD), said: "DLD plays a vital role in reshaping Dubai's real estate sector to help drive the economic vision of His Highness Sheikh Mohammed bin Rashid Al Maktoum, Vice President and Prime Minister of the UAE and Ruler of Dubai. It is the duty of DLD to ensure that growth and prosperity continue in this sector, and help more buyers, investors and tenants to benefit from overall economic growth, as well as contribute to the activity of our economy.

"This festival initiative is in cooperation with the International Property Show, and part of our ongoing efforts to support the real estate sector and provide an ideal environment for all relevant parties. We are confident that with this festival and beyond, the real estate sector will continue to grow and contribute to strengthening our economy.

"To encourage new buyers and investors to the real estate sector, I am delighted to announce the launch of DPF in order to provide everyone with the right environment for choosing the best properties offered, finding the best prices, and making the best deals with real estate brokers and developers. The festival will be annual event that forms an inclusive investment platform. It will be instrumental in attracting and

"It is the duty of DLD to ensure that growth and prosperity continue in this sector, and help more buyers, investors and tenants to benefit from overall economic growth, as well as contribute to the activity of our economy..."

– Sultan Butti Bin Mejren
Director General of Dubai Land Department

encouraging more buyers, providing them with access to new homes, and helping them obtain a comprehensive perspective of availability — ultimately being able to make a wise decision to buy a dream home."

DLD is constantly promoting and organising the most suitable real estate investment environment to ensure best practices at all levels of development, marketing, real estate appraisal, buying and selling, and real estate brokerage in order to ensure timely delivery of projects with maximum investment protection.

In December last year, DLD said, it has launched the Cube, a one-stop shop that brings 15 different types of public services under one roof for investors and customers that reduces procedures in one day instead of 10.

The Cube, a new customer service centre, is located on the third-floor of its headquarters, to provide real estate investors with exceptional services. The Cube has been established in collaboration with a number of key partners including the General Directorate of Residency and Foreigners Affairs in Dubai, the Dubai Police General Command, the Dubai Health Authority, the Department of Economic Development in Dubai, and the Federal Authority for Identity and Citizenship.

The Cube reduces both effort and time for real estate investors by providing all services in one location, rather than the previous 15, and by completing procedures in one working day rather than the previous 10. The centre will include all government and private entities, such as the General Directorate of Residency and Foreigners Affairs, the Department of Economic Development in Dubai, the Federal Authority for Identity and Citizenship and the Dubai Police General Command, as well as medical centres, printing offices and insurance companies.

Majida Ali Rashid, Assistant Director General and Head of the Real Estate Investment Management and Promotion Center — the Investment arm of DLD, said: "We are delighted to launch DPF that will showcase Dubai as one of the top real estate investment destinations in the world. The festival will provide an excellent opportunity for investors, developers and buyers for strategic networking and doing business in a safe and secured environment."

"The Real Estate Investment Management and Promotion Center seeks to encourage investor confi-

Sultan Butti Bin Mejren, Director-General Dubai Land Department, Chairman of Dubai Property festival; along with Majida Ali Rashid, Assistant Director General, head of Investment Management and Promotion Department at Dubai Land Department, Deputy Chairman of Dubai Property Festival, and Dawood Shezawi – Head of Dubai Property Festival Organising Committee, speaking at a packed press conference in Dubai

dence in the real estate market, attract investments to the Dubai real estate market and launch a variety of initiatives for investors. For example, our latest initiative was signing an agreement with a real estate brokerage office in China to promote the real estate sector in Dubai that will reach more than 1,000 Chinese real estate brokers, with the aim of promoting Chinese investment in the real estate sector in Dubai. Recently we have also signed a similar agreement with a company in India."

Indian nationals are among the highest investors in Dubai's real estate market. According to the DLD, the total value of transactions by

Dawood Shezawi – Head of Dubai Property Festival Organising Committee

Indians from the beginning of January 2017 to the end of November this year reached Dh20.94 billion, through 7,810 investments carried out by 6,150 investors, while the value of Indian investments reached Dh14.185 billion. A total of 1,295 Indian brokers are employed in Dubai's real estate market, and over the same report period they earned commissions of Dh226 million at the rate of 2 per cent of the sales they made.

Indian nationals remain the top investors in Dubai's real estate and have bought Dh61 billion worth of properties in Dubai in the last three years, according to the Dubai Land Department.

The number of buildings under construction in Dubai is about 28,600, covering an area of 551,034,564 square feet, a senior Dubai Government official said.

As many as 5,633 buildings, covering a total construction area of 75,150,033 square feet, were completed in Dubai in the first 9 months of 2017, Layali Al Mulla, Director of the Buildings Department in Dubai Municipality, said in November last year.

These are in addition to the 125,132 civil structures that exist in the emirate, including 121,615 buildings located in the urban areas of Dubai city, suburbs and Hatta. Of these, 96,034 are villas and Arabic

"Dubai Property Festival will showcase Dubai as one of the top real estate investment destinations in the world. The festival will provide an excellent opportunity for investors, developers and buyers for strategic networking and doing business in a safe and secured environment."

– Majida Ali Rashid, Assistant Director General and Head of the Real Estate Investment Management and Promotion Center, Dubai Land Department

Majida Ali Rashid, Assistant Director General, Head of Investment Management and Promotion Dubai Land Department, Deputy Chairman of Dubai Property Festival

At A Glance

28,600

buildings are being built in Dubai, municipality says

448,000

residential units houses most of Dubai's residents

5,633

buildings were completed in Dubai in the first 9 months of 2017, a Dubai Muncipality official said

homes, Dubai Statistics Centre shows.

In 2016, 11,413 buildings were completed the commercial value of which was Dh30.37 billion and this excludes the value of 15,211 residential apartments and 3,928 stores.

Dubai Land Department was found in May 1960 to establish the most prominent real estate sector in the Middle East and in the world.

Dawood Al Shezawi, Head of DPF Organising Committee, said: "The Festival will be a game-changing initiative that will help a large number of tenants shift to own their homes and stop paying rent. On an average, a Dubai tenant can own his home by spending eight years of rental expenses in his property instead of paying them to a landlord. DPF will help the end-users make such a transition by encouraging property developers and brokers to offer the best deals and help the tenants to buy properties instead of continuing to rent."

Most of Dubai's residential stock of 448,000 homes are leasehold properties, with a large chunk of the villas being owned by UAE and GCC nationals. Foreigners mostly rent homes although tens of thousands of freehold homes are also owned by foreign nationals; most foreigners in the UAE live in leasehold properties, despite high rents.

The total value of real estate transactions for the first nine months of 2017 reached Dh204 billion through 52,170 transactions, according to a report by the DLD.

According to the report, there were a total of 37,633 transactions for land, residential units and buildings, generating a value of over Dh88 billion. There were also 11,699 mortgage transactions worth Dh102 billion and 2,838 other transactions worth Dh14 billion.

The latest DLD report shows that the land category attracted Dh143.40 billion worth of investment, achieved from 11,169 transactions across sales, mortgages and other transaction categories. Building sales generated 5,014 transactions with a total value of Dh12.72 billion, while 36,000 transactions for residential units of all types crossed the Dh48.77 billion mark.

The report also reveals the top ten real estate sales areas in Dubai, with 'Burj Khalifa' taking first place in terms of value with 1,650 transactions worth Dh6.23 billion.

DPF will be part of the Real Estate Investment Week that will see a number of events being held to promote investment in real estate. An Investor Roundtable will help investors from different countries network with key stakeholder to discuss ways to boost investment. ■

Sandrine Loureiro
Head of Brokerage
Rocky Real Estate

Rocky strengthens freehold sales team

Gulf Property Exclusive

Rocky Real Estate, one of the largest asset management and property brokerage firms in Dubai, has sold 1,425 units with freehold sales value exceeding Dh6.5 billion so far, a senior official told *Gulf Property* in an exclusive interview.

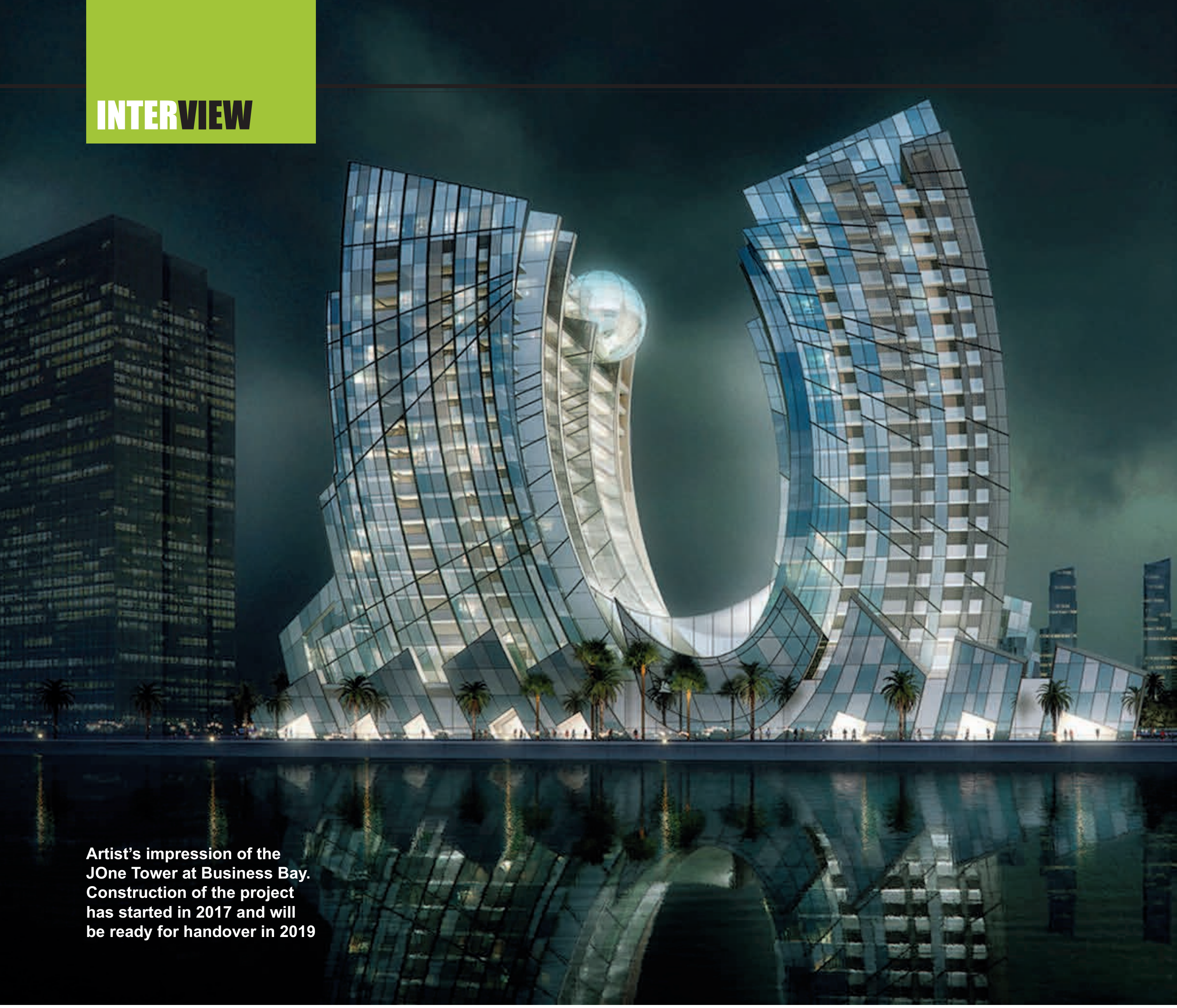
The company has more than 12,000 residential properties in its network in addition to other asset classes.

The company's asset management arm manages assets worth Dh5 billion involving 35,000 units involving 700 buildings.

"About 80 per cent of the assets that we manage are residential while the rest are mostly commercial including warehouse and retail units," Sandrine Loureiro, Head of Brokerage at Rocky Real Estate, said.

"We are expanding our sales team by hiring new professionals. About 70 per cent of our sales are individual sales while 30 per cent are bulk deals on freehold properties."

Rocky Real Estate started its journey in 1976 – barely five years after the formation of the UAE federation



Artist's impression of the JOne Tower at Business Bay. Construction of the project has started in 2017 and will be ready for handover in 2019

and at a time when the real estate market was in its infancy.

The company thrived on the rental market for more than three decades till the government opened it for freehold ownership to expatriates in 2002 that created the biggest property boom in the region's history. Like most property companies, Rocky Real Estate also joined the party with a large inventory of properties and helped developers sell them.

The company's website claims to have Dh9.23 billion worth of property rented till date and in excess of 35,000 units.

Over the last 40 years since its inception, the real estate market has gone through phases of development, growth and maturity. It is one of the best regulated markets in the Middle East and North Africa region.

Due to anticipated demand, developers have been on an overdrive to deliver more properties. However, with lower oil price and subdued investor sentiment, sales have been few and far between.

A total of 25,000 residential units are expected to be delivered in Dubai this year and a further 30,000 in 2018, according to Jones Lang LaSalle, a global real estate advisory.

Dubai will see a further 163,840 properties being built over the next five years from 387 projects. The year after could see 19,850 units and 17,754 further homes in 2020. So far in 2017, Dubai has seen the launch of 90 projects consisting of 36,556 units.

However, as the market enters into another challenging phase, the company also gears up to face the challenge by revamping the organisation's sales team.

"I guess property prices will come down further in 2018, due to demand and supply situation," she admits. "However, as a brokerage firm, we see lots of opportunities even in slowdown and downturn and we would like to seize those opportunities.

"In doing so, we do not want to bite more than we could chew!"

However, a good balance between freehold sales and leasing portfolios make Rocky Real Estate a more sustainable property business. A decline in the freehold portfolio could easily be offset by an increase in

Sandrine Loureiro
Head of Brokerage
Rocky Real Estate

"Property prices will come down further in 2018, due to demand and supply situation. However, as a brokerage firm, we see lots of opportunities even in downturn and we would like to seize these opportunities. In doing so, we do not want to bite more than we could chew!"

– Sandrine Loureiro
Head of Brokerage
Rocky Real Estate

leasehold activities, Sandrine Loureiro, feels.

Despite these, performance of the real estate sector appears to remain strong with the total value of real estate transactions for the first nine months of 2017 reached Dh204 billion through 52,170 transactions, Dubai Land Department (DLD) said in a statement.

According to the report, there were a total of 37,633 transactions for land, residential units and buildings, generating a value of over Dh88 billion. There were also 11,699 mortgage transactions worth Dh102 billion and 2,838 other transactions worth Dh14 billion.

Rocky Real Estate is currently promoting a number of projects for developers as their sales agents, including JOne residential tower at Business Bay that has been sold out 30 per cent at a premium price due to its location and superior finishing.

"The project houses 347 units including studios to four-bedroom apartments with prices starting at Dh825,000 for a 700 square feet studio apartment," Sandrine says. "We are currently expanding our investor base by looking at China, India, Saudi Arabia and the GCC markets."

Construction of the project has started in September 2017 while delivery is expected in the third quarter of 2019.

"We expect to sell out the project by the second or third quarter of 2018. Since it is a high quality premium project, price of the average unit will be higher than other projects," Sandrine says.

According to Jones Lang LaSalle, sale prices for both villas and apartments remained stable over Q3, while rents continued their low single-digit declines. Anecdotal evidence suggests that numerous residential buildings (even within prime areas) are seeing increased vacancies, thus, tenants have been able to renegotiate their rents downwards by 5 to 7 per cent on average.

Sandrine says, her sales team is going to talk to a number of real estate investment trusts (REITs) to sell properties in bulk.

"Although as a large brokerage firm, we have our own strength, but we do not want to start a REIT by ourselves, rather help the REITs to benefit from opportunities through us." ■

Dubai realty faces downward pressure

Gulf Property Exclusive

Dubai property market enters an interesting phase this year with increased number of deliveries might put additional pressure on property prices and rents as market matures further.

The supply pipeline continues to strengthen, with nearly 30,000 units announced during the three days of Cityscape Global in September 2017.

"Overall, we expect 21,409 units to complete in 2018, followed by a further 26,370 in 2019 and a further 32,180 in 2020," said a latest report by brokerage firm Cluttons.

This equates to 79,738 units in total over the next three years. The corresponding growth in population, which usually averages 5 per cent per year, should see a further 441,000 new people added to the city.

Dubai's residential market remains in a state of flux, with segments of the market, depending on location and price band, varying in performance, Cluttons said in the report.

Property and land transaction value increased 6 per cent to Dh285 billion (US$77.65 billion) in 2017, up from Dh269 billion recorded in 2016, according to Dubai Land Department.

The total real estate transactions reached 69,000 in 2017 with value exceeding Dh285 billion – higher than the individual nominal gross domestic product (GDP) of more than 125 countries in the world.

The report states that the real estate transactions for 2017 have increased by 6 per cent in terms of number, and 4 per cent in value when compared to Dh275.8 billion for 2015, and increased by 14 per cent in number, and 6 per cent in value compared to Dh268.7 billion for 2016.

The sales of land, buildings and units in the Dubai real estate market totalled Dh114 billion through 49,000 transactions, while mortgages for the same three categories reached Dh138.5 billion through 15,700 transactions. There were approximately 4,000 other transactions valued at ap-

proximately Dh33.3 billion, where the total turnover for the year 2017 was Dh285.56 billion from 69,000 transactions.

According to the Dubai Statistics Centre, the average household size in the emirate is 4.2 family members, which would translate into demand of roughly 105,000 units over the next three years.

While it may appear that supply and demand are well matched, particularly as 30 per cent to 40 per cent of the announced supply is likely to be delayed, or rephrased, as has been the case historically, our concern remains centred on the fact that the vast majority of planned supply is designed to cater to the high-earning segment of the population.

Like many other global residential markets, confidence levels amongst buyers remain subdued, particularly for property at the top of the price spectrum.

It is perhaps no surprise that residential capital values continued to recede across the city during the third quarter. Overall, residential prices slipped by 1.9 per cent in the three months to the end of September, following on from the 1.5 per cent drop in the second quarter of 2017.

The annual rate of change as at the end of the third quarter of 2017 stood at -5.6 per cent. Villa values experienced their weakest performance in almost two years, with prices falling by 2.8 per cent in the three months to the end of September.

Apartment values on the other hand experienced a drop of 1.3 per cent on average, taking the change during the first nine months of the year to -5.5 per cent. No submarket registered growth during the third quarter of 2017.

The last three years have been very challenging for Dubai's residential market, with capital values dropping by 16.6 per cent over this period.

The introduction of Federal Mortgage Caps and the collapse in oil prices during 2014 have been key catalysts in shaping the market over the last 36 months, alongside the deteriorating global geopolitical backdrop, which has also spooked in-

vestors.

Faisal Durrani, head of research at Cluttons said, “Overall market conditions in the emirate have been relatively healthy. Going forward, we see regional developments and local legislation playing a big part in Dubai’s property market. We believe that Dubai Government’s initiative to focus on affordable housing is extremely positive and is a watershed moment for the emirate.

“The change will help Dubai avoid some of the lessons learned by more developed cities around the world, especially with regards to curtailing the emergence of poorly connected, low income neighbourhoods that are segregated from the rest of the city, as is the case in many other global metropoles.

“While exact details around the legislation are yet to be confirmed, we expect to see a balanced approach between the presumed establishment of quotas around the provision of affordable housing that is both built-to-rent and built-to-sell, so that both aspiring buyers and tenants, priced out of city centre locations, can benefit.”

The weakest performing market was Jumeirah Village, where villas registered a 12.3 per cent decrease in average capital values to Dh833 psf, from Dh950 psf during Q2. This was followed by apartments at the Green Community in DIP (-8.2 per cent), where prices declined to Dh817 psf. The Arabian Ranches (-7.3 per cent) rounded off the list of the top three weakest performers across Dubai’s freehold areas during the third quarter of 2017.

Murray Strang, Head of Cluttons Dubai, noted, “These markets, in particular, have faced competition from surrounding developments that are newer, cheaper and often more affordable, especially for those looking for rental options.

Arabian Ranches has faced stiff competition from nearby Nshama, while Al Furjan and the second phase of units at DIP have improved the amount of choice for would-be buyers and investors in the Jebel Ali area.”

Transaction volumes remained relatively stable, with the number of deals during the first nine months of the year standing 4.6 per cent higher than the same period last year.

Faisal Durrani, Head of Research at Cluttons

The volume of villa transactions however slipped by 1.6 per cent over the same period to 874 deals between January and September 2017.

The supply pipeline on the other hand continued to strengthen, with nearly 30,000 units announced during the three days of Cityscape Global in September, the report highlights.

Durrani added, "Overall, we expect 79,738 units in total to be completed over the next three years. The corresponding growth in population, which usually averages 5 per cent per year, should see a further 441,000 new people added to the city. According to the Dubai Statistics Centre, the average household size in the emirate is 4.2 family members, which would translate into demand of roughly 105,000 units over the next three years.

"While it may appear that supply and demand are well matched, particularly as 30 per cent to 40 per cent of the announced supply is likely to be delayed, or rephased, as has been the case historically, our concern remains centred on the fact that the vast majority of planned supply is designed to cater to the high-earning segment of the population."

Affordable Homes

The Government's recently announced plans to legislate, through planning, the provision of affordable homes in some of Dubai's core locations is something we view extremely positively and is a watershed moment for the market, which has been starved of true 'affordable homes' for many years now.

While exact details around

"Overall market conditions in the emirate have been relatively healthy. Going forward, we see regional developments and local legislation playing a big part in Dubai's property market. We believe that Dubai Government's initiative to focus on affordable housing is extremely positive and is a watershed moment for the emirate...."

**– Faisal Durrani
Head of Research
Cluttons**

the legislation are yet to be confirmed, we expect to see a balanced approach between the presumed establishment of quotas around the provision of affordable housing that is both built-to-rent and built-to-sell, so that both aspiring buyers and tenants, priced out of city centre locations, can benefit.

Through our long term experience of this sector in the UK, we understand that there are likely social issues to be addressed with having low income workers residing in locations that have traditionally been badged as 'exclusive', as well as a culture shift that may need to occur amongst would be buyers and investors.

Still, the change will help Dubai avoid some of the errors of more developed locations around the world and will certainly go some way to curtail the emergence of poorly connected, low income neighbourhoods that are segregated from the rest of the city, as is the case in many other global metropoles.

As it stands, with nearly 1 million commuters coming into Dubai each day from other emirates, there is a clear and untapped demand segment for developers to cater to, which may appear particularly appealing in today's real estate market environment.

Developers to Landlords

The weakness in the market, combined with the surging supply pipeline has meant that many developers are turning into accidental landlords.

Developers burdened with unsold stock in completed developments are looking to the rental market instead.

For developers with lingering inventory, the challenge around adjusting sales prices downwards after completion presents challenges, particularly among those investors, or end users, that have already bought property in the schemes in question.

In the long run, this may well lead to the creation of small, singleowned tenanted residential portfolios, which will always remain in high demand and will be highly coveted amongst the investment community, bearing in mind of course that these portfolios will be subject to investment valuations.

which has also spooked investors.

Furthermore, the strengthening of the US dollar, to which the UAE maintains a fixed peg, has meant that Dubai and the rest of the GCC for that matter, are a lot more expensive places to holiday in, or invest in. The dollar's strengthening profile has also been stimulated by the messy Brexit negotiations in Europe.

With these factors in mind, it is our view that residential values will end 2017 5 per cent to 7 per cent down on 2016, in line with our expectations at the start of the year. 2018 still has the potential for values to start bottoming out in the second half of the year, but much will depend on the yet to materialise 'Expo 2020 effect', the strength of the US dollar and a slowing in both the rate of delivery and type of new residential schemes announced, with 'affordable' housing being key to helping the market stabilise. On balance, we expect values to decline by an average of 3 per cent to 5 per cent next year.

The rental market is expected to mirror the performance of capital values both this year and in 2018. ■

Rents Recede

For now, average residential rents have continued to weaken, falling by 2.3 per cent in the three months to the end of September, leaving the annual rate of change at -9.1 per cent, in line with our expectations for the year.

High-end apartments in Downtown Dubai, Dubai Marina, the Palm Jumeirah and the DIFC collectively registered the sharpest falls, with rents here declining by 3.4 per cent in the third quarter of 2017.

Low end apartments and villas encompassing the city's most affordable locations such as International City, IMPZ, Discovery Gardens, Jumeirah, Sports City and JLT, collectively registered no change in average rents in the third quarter of 2017, highlighting the depth of demand for more affordable rental accommodation.

The weak conditions have been exacerbated by a growing volume of recently completed buy-to-let stock, which has helped supply levels edge ahead of demand. This is driving a rise in the number of vacant rental properties, which in turn is causing landlords to become increasingly flexible, with the number of cheques accepted for payment rising across almost all markets. The rental market remains firmly in the favour of tenants, which most landlords have accepted.

The last three years have been very challenging for Dubai's residential market, with capital values dropping by 16.6 per cent over this period. The introduction of Federal Mortgage Caps and the collapse in oil prices during 2014 have been key catalysts in shaping the market over the last 36 months, alongside the deteriorating global geopolitical backdrop,

Dubai hosts a fifth of the tallest 100 towers

Gulf Property Exclusive

A fifth or 20 of the world's tallest 100 towers are now located in Dubai while 23 per cent of the world's tallest 100 towers are now located in the UAE, including 20 in Dubai, according to the latest data published by the Council on Tall Buildings and Urban Habitat (CTBUH) – the Chicago-based global authority on skyscrapers.

The UAE is now ranked 4th globally in terms of skyscrapers with 95 towers reaching 200 metres or greater in height by the 2017-end.

The number of skyscrapers rising more than 200 metres reached 144 last year – the highest in a single year – taking the total number of towers in that category to 1,319 by the end of 2017, CTBUH said.

"The 144 buildings completed in 2017 beat every previous year on record, including the record high of 127 completions in 2016. This brings the total number of 200-meter-plus buildings in the world to 1,319, increasing 12.3 per cent from 2016, marking a 402 per cent increase from the year 2000, when only 263 existed," said the CTBUH report.

Of these, 15 were supertall – rising above 300 metres above the ground – taking the number of the supertall towers to 126 at the end of 2017.

"A total of 15 supertalls were completed in 2017, tying with 2015, the first year to break this record," said the CTBUH report.

"The total number of supertall buildings worldwide is now 126, up from 111 in 2016. This fact is even more extraordinary considering that much of the activity has been in the past few years. The 2017 figure represents a 66 per cent increase in just four years. In 2013, there were 76 buildings 300 meters or higher."

Ping An Finance Center, Shenzhen, was the tallest building to complete in 2017, at 599 meters. It is now the second-tallest building in China, and the fourth-tallest building in the world.

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>
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confidence in single-function programs sparks a resurgence in speculative residential development," said Steve Watts, CTBUH Chairman.

"Further, there's been growing interest over the past several years in residential real-estate investment by absentee owners as a wealth management strategy. However, market dynamics vary greatly between regions, so it's likely there are other factors to the story."

The average height of 200 meter-plus buildings completed in 2017 was 244 meters, up from 238 meters in 2016.

The average height of the World's 100 tallest buildings continues to climb, hitting 372 meters in 2017, up from 363 meters in 2016. Meanwhile, the average height of the 20 tallest 200 meter-plus completions in 2017 has hit a new record high of 348 meters, up from 316 meters in 2016.

"The data from 2017 shows a continuation of the trend towards a greater global proliferation of skyscraper construction," commented CTBUH Executive Director Antony Wood.

"High-rise construction is no longer confined to a select few financial and business centers, but rather is becoming the accepted global model for densification as more than one million people on our planet urbanize each week.

"Thirteen cities saw their first 200-meter-plus high-rise completion in 2017, in addition to the 28 cities and eight countries that saw their tallest building completed this year."

Location

Asia retained its status as the world's skyscraper epicenter in 2017, completing 109 buildings, representing 76 per cent of the 144-building total.

This is an increase from the 105 total, but a small decline from the 83 per cent share held in 2016.

"The distribution of the World's 100 tallest buildings broadly reflects that of the wider set of 200 meter-plus buildings worldwide. Asia leads with 54, followed by the Middle East with 26, North America with 15, and Europe with four," said the CTBUH report.

A total of 23 countries were represented in the list, with places like Sri Lanka and Kenya completing buildings over 200 meters tall for the first time.

The Middle East matched its average of 2015 and 2016 numbers with nine completions in 2017. North America more than doubled its record for 2016, with 15 completions. Europe doubled its 2016 output with four buildings of 150 meters' or greater height. Central America had three completions for 2 per cent of the world total, while Oceania had two completions, and Africa and South America had one each.

"While many of the trends in the 2017 report represent continuations of those observed in previous years, one marked difference is the widening range of geo-

graphic diversity in terms of where 200-meter-and-taller buildings are located. A total of with 69 cities across 23 countries are represented in the data, up from 54 cities across 18 countries in 2016 , suggesting increasing urbanization levels around the world," the report said.

As much as 76 per cent of these towers were developed in Asia and 53 per cent were in China – the largest home of supertall towers.

Of these, Dubai saw the completion of the third, the fourth and the fifth tallest completed towers last year while Abu Dhabi added Horizon Tower to its glory.

"For the 10th year running, China had the most 200-meter-plus completions with 76, representing 53 per cent of the global 2017 total. Although still the world champion by a wide margin, this is a reduction from 2016, when China had 83 completions, for 65 per cent of that year's total," the report said.

"The United States took second place with 10 completions, and South Korea followed closely with seven. Meanwhile, Canada and Indonesia tied for fourth place with five completions each; while Malaysia, North Korea, Turkey and the United Arab Emirates tied for fifth place with four completions each."

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For the second year in a row, Chinese city of Shenzhen had the highest number of 200-meter-plus completions of any city in 2017 with 12 (once again, more than any country other than China managed to complete), while China's Nanning took second place with seven completions and Chengdu tied Indonesia's Jakarta with five.

This year was remarkable in that the number of cities with at least one 200-meter building completion jumped to 69, from 54 in 2016.

From Istanbul to Calgary, cities around the world finished their own largest buildings. Seoul's Lotte World Tower became South Korea's tallest structure and the fifth tallest in the world, while the Wilshire Center in Los Angeles is now California's loftiest building and the tenth tallest in the US.

Globally, 2017 marks the fourth consecutive year that the world's record total has been surpassed. A steady post-recession trajectory has seen the number of new skyscrapers more than double since 2012, when just 69 were completed.

Material Composition

The 100 tallest list continues to be dominated by composite construction, with 51 buildings employing composite systems, equal to the 2016 numbers.

All-concrete buildings decreased by one to 34 from 35 in 2016. Those buildings reported as being of 'mixed' construction, in which distinctive sections of the buildings are predominantly steel or concrete, increased to five in 2017, from four in 2016.

Of the 144 buildings of 200 meters or greater height completed in 2017, 74, or 51per cent, used concrete as the main structural material; while 64, or 44 per cent used a composite of steel and concrete.

The significant use of concrete can be attributed to a combination of concrete's relative ubiquity and lower cost in many regions, as well as its comparative simplicity in construction, which would increase its appeal in regions with lower-skilled labor pools. In 2017, two buildings had all-steel construction, consistent with the 2016 figure.

As of this writing, there were only seventeen 200-meter-plus buildings currently under construction that employed all-steel structural systems.

Of course, it needs to be remembered that concrete construction normally contains substantial amounts of steel reinforcement bar (rebar), and that 'composite' construction uses differing proportions of structural steel and concrete, playing to the strengths of each under different force conditions.

Functionality

Mixed-use functions continue to dominate the functional mix of the tallest 100 buildings, with 46 buildings, an increase from 41 in 2016.

Of last year's 10 tallest new structures, five have provisions for residential use, including Dubai's 425-metre Marina 101.

Meanwhile, office functions take a slightly lower share in 2017, with 38 buildings, down from 40 in 2016 and equal to the 2015 figure. Residential and hotel functions have shrunk as a proportion once again, with 11 and five buildings, respectively, down from 12 and seven in 2016.

The functional share of tall buildings in 2017 proved to be among the most interesting discoveries in the study. Completed buildings with all-office functions fell to 56, or 39 per cent of the total, compared to 67, or 52 per cent of completions in 2016. Meanwhile, buildings with all-residential functions spiked to 49, or 34 per cent of the total, from just 19, or 15 per cent of the total in 2016.

The proportion of tall buildings 200 meters and higher with mixed functions was reduced to 26 per cent from 30 per cent in 2016, although the raw number, 38, remained the same. Continuing the trend from last year, only one all-hotel building was completed in 2017.

The reasons for this are not clear. It is tempting to speculate that we are now seeing the built results of a full-blown recovery from the 2008 economic crisis, as greater confidence in single-function programs sparks a resurgence in speculative residential development. Further, there has been growing interest over the past several years in residential real-estate investment by absentee owners as a wealth management strategy. However, market dynamics vary greatly between nations and regions, so it's likely there are other factors in the story.

Africa Rising

Africa is just beginning to move upwards, it seems. The first skyscraper in Africa to make it onto CTBUH's annual building review is the Britam Tower in Nairobi, Kenya.

"At slightly over 200 meters tall, the commercial tower is the tallest in the East African country and the second tallest in all of Africa. By CTBUH's height criteria, it's also the continent's first skyscraper since 1973, when the Carleton Center, measuring 223 meters, in Johannesburg, South Africa, was completed," said a report by Citylab.

"But there are plenty more to come. Africa has the fastest growing population in

Dubai's Tallest 100 Towers

Dubai is expected to retain is share of the glory in the global tall building race at least till 2020 – when the Kingdom Tower takes the crown. Dubai currently hosts 21 supertall towers – skyscrapers that rise above 300 metres in height – while 13 are currently under construction. It also hosts 177 buildings that have crossed 150 metres in height, while 43 are currently being developed.

Dubai's first 150 plus metres tower was Burj Al Arab – built in 1999. Just in 11 years, it hosted Burj Khalifa – the world's tallest tower and currently hosts 177 of them – in just 18 years! Following is the list of 100 tallest towers in Dubai.

No.	Building Name	Height (m)	Floors	Completion
1	Burj Khalifa	828	163	2010
2	Marina 101	425	101	2017
3	Princess Tower	413.4	101	2012
4	23 Marina	392.4	88	2012
5	Elite Residence	380.5	87	2012
6	The Address Boulevard	370	73	2017
7	Almas Tower	360	68	2008
8	JW Marriott Marquis Hotel Dubai Tower 1	355.4	82	2012
8	JW Marriott Marquis Hotel Dubai Tower 2	355.4	82	2013
10	Emirates Tower One	354.6	54	2000
11	The Torch	352	86	2011
12	Ahmed Abdul Rahim Al Attar Tower	342	76	2017
13	Rose Rayhaan by Rotana Dubai (AE)	333	71	2007
14	Al Yaqoub Tower	328	69	2013
15	The Index	326	80	2010
16	Burj Al Arab	321	56	1999
17	HHHR Tower	317.6	72	2010
18	Ocean Heights	310	83	2010
19	Emirates Tower Two	309	56	2000
20	Cayan Tower	306.4	73	2013
21	The Address	302.2	63	2008
22	Emirates Crown	296	63	2008
23	Millennium Hotel	294	66	2011
24	Sulafa Tower	288	76	2010
25	Millennium Tower	285.1	59	2006
26	Al Hekma Tower	282	64	2016
27	Marina Pinnacle	280	73	2011
28	D1 Tower	277.5	78	2015
29	Radisson Royal Hotel Dubai	269	60	2010
30	21st Century Tower	269	55	2003
31	Business Central Tower 1	265	53	2008
31	Business Central Tower 2	265	53	2008
33	U-Bora Tower 1	262.8	58	2011
34	Vision Tower	260	60	2011
35	Dubai Marriott Harbour Hotel and Suites	253.8	63	2007
36	Conrad Dubai	251.2	51	2013
37	Chelsea Tower	250	49	2005
38	Rolex Tower	246.8	59	2010
39	Al Fattan Tower	245	51	2006
39	Oasis Beach Tower	245	51	2006
41	Arenco Tower	243.8	46	2008
42	The Tower	242.6	54	2002
43	Arady Office Tower	237.2	49	2015
44	Burj Daman	235	65	2014
45	Churchill Residence	235	61	2010
46	Park Place	234	56	2007
47	MAG 218 Tower	231.8	66	2010
48	ASPIN Tower	225.6	60	2013
49	Al Tayer Tower	225	55	2009
50	The Bay Gate	221	53	2014

Dubai's Tallest 100 Towers

No.	Building Name	Height (m)		Floors	Completion
51	Angsana Hotel Tower	220.7	724	49	2008
51	Angsana Suites Tower	220.7	724	49	2007
53	Arady Residential Tower	215.7	708	51	2015
54	Al Seef Tower	215	705	44	2005
55	The 118 Tower	212	696	46	2016
56	Grosvenor House The Residence	210.4	690	48	2011
56	Grosvenor House West Marina Beach	210.4	690	48	2005
58	Al Rostamani Maze Tower	210	689	57	2010
59	Executive Towers Building M	210	689	52	2009
60	Le Reve Dubai (AE)	210	689	50	2006
61	Dubai Tower	210	689	45	2011
61	Latifa Tower	210	689	45	2012
63	Marina Heights	208.4	684	55	2006
64	Tamani Hotel Marina	207	679	54	2006
65	Marina Crown	207	679	52	2006
66	Nassima Tower	204	669	49	2010
67	48 Burj Gate	203.2	667	51	2014
68	The Citadel	201	659	48	2009
69	MBK Tower	200	656	59	2010
70	Burj Al Salam	197.5	648	58	2014
71	Al Bateen Residential Tower	196.3	644	50	2013
72	Shangri-La Hotel	196	643	43	2003
73	Al Salam Tecom Tower	195.1	640	47	2009
74	The Distinction	195	640	53	2016
75	Sama Tower	193.6	635	51	2010
76	The Address Dubai Mall	191.8	629	37	2008
77	Duja Tower	191	627	57	2017
78	The Signature	190	623	49	2013
79	Executive Towers Building B	190	623	47	2008
80	Horizon Tower	190	623	45	2006
80	Platinum Tower	190	623	45	2012
82	Dubai Jewel Tower	190	623	44	2008
83	Sidra Tower	187	614	45	2010
84	Al Sahab Tower I	187	614	44	2006
85	Jumeirah Lake Terrace	187	614	40	2008
86	Executive Tower K	186	610	47	2009
87	29 Boulevard Tower 2	185	607	45	2013
88	29 Boulevard Tower 1	185	607	44	2013
89	Mesk Tower	185	607	40	2003
89	Murjan Tower	185	607	40	2003
91	Etisalat Tower 2	185	607	33	2007
92	Capricorn Tower	184.5	605	46	2003
93	Marina Terrace	183	600	38	2006
94	Executive Tower H	182	597	45	2009
95	Botanica Tower	182	597	42	2012
96	Tiffany Tower	181.9	597	45	2009
97	Bay Central 2	180	591	50	2012
97	Mazaya Business Avenue 1	180	591	50	2011
97	Mazaya Business Avenue 2	180	591	50	2011
97	Mazaya Business Avenue 3	180	591	50	2011 ■

the world — the UN predicts that Africans will make up more than half of the 2.2 billion people added to the global population in 2050. By then, Africa may have added several new skyscrapers."

Meanwhile, work has already begun on a 300-meter-tall hotel in Kenya that will unseat the Carleton Center. That project is expected to be completed in 2019. Morocco's tallest skyscraper may come in the form of a 250-meter-tall multi-use building called the Al Noor Tower.

Some projects, though, may prove to be overambitious. Ghana is still eyeing a 270-meter-tall office for its next tech city, though construction has yet to begin after a lavish launch party in 2013. And Gauteng, South Africa, may become home to a 447-meter-tall (1,466 feet) behemoth Symbio-City — should the project break ground anytime soon.

"There's also concern that these new developments will amount to little more than urban fantasies that fail to meet the needs of the African market," Citylab said.

"For one thing, according to an urban planner in Cape Town, much of Africa's urban population still lives in poverty. What's actually needed are public services—better roads and mass transit options, as well as adequate water and sanitation infrastructure.

"Despite all that, Africa has joined the global race to the top — a race that is hardly over. In fact, expect 2018 to set another record: The CTBUH report projects that 160 skyscrapers will be completed next year."

Future Perfect

As many as 7 out of the next 100 tall towers are being built in Dubai - that will further strengthen the emirate's position as a city with high density of skyscrapers.

The year 2018 could see anything from 130 to 160 new completions. But what happens next year may depend hugely on conditions in China.

According to the report, 2018 is projected to be another record breaking year, led by the anticipated completions of two 500-meter-plus buildings, the 597-meter-tall Goldin Finance 117 in Tianjin and the 529-meter-tall China Zun Tower in Beijing. ■

The Tower, currently under construction, will be another feather in Dubai's crowded cap, when completed at Dubai Creek Harbour – a new township being developed by Emaar Properties

Dubai new hub of tall building movement

Dubai is becoming the epi-centre of the global tall building movement, currently hosting 20 of the world's tallest 100 tower and seven more currently in the pipeline.

Last year, three supertall – buildings exceeding the height of 300 metres – ranked third, fourth and fifth tallest towers in the world were completed in Dubai, led by Marina 101.

Dubai has been holding the crown of hosting the world's tallest man-made structure of any kind for the last eight years. On January 4, 2018, Burj Khalifa completed eight years holding the title. It will hold the same title till 2020 – when the Kingdom Towers surpass the title in 2020.

The mixed-used 101-storey hotel and residential development - Marina 101 - was the tallest completed skyscraper in Dubai last year - scaling 425 metres. Developed by Emaar Properties, it is now second tallest building in Dubai and UAE after Burj Khalifa, the world's tallest tower. In the Middle East, Marina 101 is the third tallest and 18th globally

"With architectural elements reminiscent of art-deco design, Marina 101 stands out in a city full of supertall structures. The tower will accommodate serviced apartments and Middle East's first Hard Rock Hotel. Flared projections acting as light dishes break the vertical monotony of the supertall tower as it rises, culminating in a 45-metre crown that caps the building and sets it apart in the surrounding skyline," says CTBUH.

Within the tower, the vertical transportation system consists of a total of 28 elevators.

The 73-storey Address Boulevard - which scales 370 metres in height - is the second tallest completed building of 2017 in Dubai.

Developed by Emaar Properties, the tower houses residential, hotel and retail units. It is the 6th tallest building in Dubai, 7th in the UAE, 9th in the Middle East and 33rd in the world.

Located next to Burj Khalifa, the tower is situated with convenient access to Mohammed Bin Rashid Boulevard, and near The Opera District. Crowned by two matching spires, the tower has a 196-room hotel operated by The Address Hotels + Resorts, and 530 serviced

Dubai Leads in Hosting Supertall Building

Dubai, with 21 supertall towers – buildings that exceed 300 metres in heights – leads the global list of the supertall buildings – ahead of New York City, Hong Kong, Shenzen and Shanghai. Dubai has three times the number of supertall skyscrapers present in New York City – its nearest rival – which hosts just 7. The scenario is totally different when compared to just barely 12 years ago, when Dubai had just started building supertall towers – with Burj Al Arab hotel in 1999.

However, out of its 21 supertall, 20 of them have found place in the top 100 towers' list.

No	City	Country	All Buildings	100m+	150m+	200m+	300m+
1	Dubai	UAE	372	267	177	69	21
2	New York City	United States	1,408	808	257	66	7
3	Hong Kong	China	820	555	317	64	6
4	Shenzhen	China	151	131	119	61	7
5	Shanghai	China	382	186	141	51	5
6	Chongqing	China	146	136	110	35	2
7	Jakarta	Indonesia	382	129	74	33	0
8	Singapore	Singapore	203	129	84	32	0
9	Guangzhou	China	161	125	103	30	9
10	Chicago	United States	524	317	119	29	6
11	Tokyo	Japan	348	284	145	26	0
12	Nanjing	China	69	67	55	25	3
13	Tianjin	China	53	51	49	24	2
14	Abu Dhabi	UAE	75	49	37	23	4
14	Panama City	Panama	80	67	52	23	0
16	Wuhan	China	54	46	45	22	2
17	Doha	Qatar	116	48	35	21	1
17	Kuala Lumpur	Malaysia	104	70	53	21	3
19	Toronto	Canada	489	242	55	19	0
20	Chengdu	China	98	92	79	18	0
20	Nanning	China	70	65	33	18	2
22	Dalian	China	59	45	36	17	1
22	Seoul	South Korea	157	137	80	17	1
24	Nanchang	China	31	30	27	16	2
25	Busan	South Korea	84	73	54	15	1
25	Houston	United States	199	95	37	15	2
25	Moscow	Russia	204	165	37	15	5
28	Bangkok	Thailand	119	86	65	14	2
28	Goyang	South Korea	14	14	14	14	0
28	Makati	Philippines	61	57	40	14	0
31	Melbourne	Australia	209	117	40	13	0
31	Suzhou	China	32	29	23	13	1
33	Changsha	China	36	27	24	12	1
33	Hangzhou	China	43	37	28	12	0
33	Los Angeles	United States	96	67	24	12	2
33	Shenyang	China	82	81	74	12	2
37	Atlanta	United States	91	68	16	10	1
37	Xiamen	China	42	30	25	10	0
39	Beijing	China	114	54	30	9	1
39	Hefei	China	20	19	17	9	0
39	Riyadh	Saudi Arabia	36	26	16	9	2
39	Sydney	Australia	395	119	34	9	0
39	Wuxi	China	25	19	17	9	3
44	Fuzhou	China	27	19	16	8	0
44	Qingdao	China	26	23	21	8	0
46	Dallas	United States	113	42	20	7	0
46	Guiyang	China	11	11	9	7	0
46	Incheon	South Korea	58	37	32	7	1
46	Mandaluyong	Philippines	14	14	14	7	0
46	Makkah	Saudi Arabia	7	7	7	7	1

apartments.

The structure sits on a multi-level podium, with the upper level providing separate lobbies for the hotel and serviced apartments. In an elliptical shape, the tower's gentle curves ensure that all apartments and guestrooms have unobstructed views of Downtown Dubai and beyond.

An enclosed moving walkway joins the tower to the Dubai Metro, The Dubai Mall, and other key developments.

The pencil-shaped Ahmed Abdul Rahim Al Attar Tower, located on the region's most prestigious and expensive area of Sheikh Zayed Road, was the third tower with over 200-metre height completed last year. Also named 101 Sheikh Zayed Road, the 76-storey tower is 342 metres tall and houses residential apartments. Developed by Al Attar Properties, it is the 12th tallest tower in Dubai, 13th in the UAE, 15th in the Middle East and 48th worldwide.

Horizon Tower A in Abu Dhabi was the last year's fourth tallest completed building in the UAE, featuring 63 storeys and 205 metres high. It is 22nd tallest tower in Abu Dhabi, 90th in the UAE and 127th in the Middle East.

The residential tower is located at Reem Island and is developed by Tamouh National Trading and Contracting; TSL Properties. ■

SPOTLIGHT

Union Properties to sell Emicool stake

UP to float ServeU

Union Properties, one of the leading real estate developers in the UAE, said, it will take ServeU – the company's facilities management subsidiary – to the public by raising capital through an initial public offering (IPO) of its shares, in the second half of 2018.

"The Group will list the ServeU shares on Dubai Financial Market (DFM) and invest the proceeds from the IPO to enhance Union Properties' operations and develop its investment portfolio," said a company statement.

Established in 1985, ServeU is one of the leading facilities management companies in the region. Its services include property maintenance, general maintenance, security, cleaning, waste transportation and landscaping.

The move comes as part of Union Properties' recently adopted strategy, which focuses on enhancing its investments, diversifying revenue sources and expanding into new markets.

Ahmed Yousef Khouri, Group CEO of Union Properties, said: "[The year] 2018 marks a new phase of development and growth for Union Properties. After the Group's extensive changes in 2017, the company now has a unique position that will help it continue to strengthen its portfolio, diversify its revenue streams and enter new markets in the Middle East and beyond." ■

Union Properties, one of the leading real estate developers in Dubai which underwent a massive management restructuring following a boardroom shake-up, said, it is in its final stage of selling its entire stake in its district cooling subsidiary Emirates District Cooling (Emicool).

Emicool is a joint venture between Union Properties and Dubai Investments – which has the first right to refusal in case Union Properties decides to sell its stake.

Union Properties said, it has received several offers to buy its entire stake from various UAE-based companies. Union Properties is currently finalising the necessary legal formalities, and will be announcing the buyer in the upcoming days.

Ahmed Yousef Khouri, Group CEO of Union Properties, said: "Over the past few years, Emicool has become a well-established name in the UAE's and the region's district cooling services sector, and has contributed significantly to the growth and development of Union Properties," he continued. "Union Properties will be focusing on developing its business further in other key sectors, and we are confident Emicool will continue its successful journey in the future."

Established in 2003, Emicool is a limited liability company that is jointly owned by Union Properties and Dubai Investments. Emicool's core operations is into providing district cooling services for residential, commercial and industrial areas, as well as distributing, transporting and selling cold water used in cooling equipment for individual and corporate clients. The company's services cover many important urban areas in Dubai such as MotorCity, Dubai Investments Park, Dubai Sports City, Uptown Mirdiff, Mirdif Hills, Hotel Palazzo Versace and DAMAC Hills, and it has also signed contracts to build and operate cooling facilities in Palm Deira. As demand for district cooling services continues to grow throughout the UAE and the region, Emicool has been steadily increasing its productivity, which rose 13 per cent in 2016 and 18 per cent in 2017. It is seeking to expand its capacity to more than 500,000 metric tonnes by 2020 as urban areas expand and demand for cooling services increases. ■

Ahmed Yousef Khouri, Group Chief Executive Officer of Union Properties has started working on a strategy to bring the company out of a crisis,

Property is the best bet for UAE investors

Real estate remains the preferred investment asset by UAE residents, with 40 per cent of residents planning to invest in property in the UAE and 18 per cent planning to do so overseas in the next year, according to the annual YouGov survey conducted by IP Global, the leading full-service property investment company.

In a bi-annual study taken by 1,000 people, when choosing which asset type to purchase, property ranked above stocks, shares or bonds (27%), highlighting the continuous appeal of real estate, possibly due to the stable, reliable returns it offers. Despite the recent political global events, the study also showed a 7% increase in appetite by UAE residents in the last six months for property investment.

When UAE residents were asked where they would consider purchasing property abroad, Canada (20%) and the USA (20%) were the most popular countries selected from the list. The UK with 15 per cent, plus Germany and Australia with 12 per cent each completed the top five preferred investment destinations.

In terms of demographics the YouGov study showed that there is no longer a gender divide, as whereas property investment had previously been seen as a male pursuit, now a similar percentage of women are looking to purchase assets. For example, in 2018, 41 per cent of females are considering buying property in their home country in comparison to 39 per cent of men. However, women still slightly lag behind in regards to overseas investment, as 14 per cent of females are looking to purchase property abroad in relation to 20 per cent of men.

Richard Bradstock, Director and Head of the Middle East at IP Global, said: ‘The results of our second YouGov study are extremely positive and indicate that more and more UAE residents are looking to purchase property in the next 12 months.

“On a global level, property continues to offer excellent prospects for capital growth. For example, North America continues to be an attractive market for the UAE residents, due to the impressive returns it offers investors, as shown by Chicago which has experienced an 36 per cent increase in house prices in the last five years while rental yields have increased 10% between 2016-2017.

“Closer to home, as the most mature market in Europe, the UK has always been popular with overseas investors. London, due to its chronic housing deficit and the government’s increased spending on infrastructure, remains a solid investment choice. However, recently we have also seen a change in buyer behaviour. UAE residents are now looking beyond Central London for more affordable properties in regional cities such as Birmingham, Manchester and Liverpool. Of note, Manchester has caught the eye of investors as house prices have risen 25 per cent in the last five years with rents forecast to increase 20.5 per cent from 2017 to 2021.” ■

Lootah acquires new property

Lootah Real Estate Development, a Dubai-based property developer, announced the acquisition of a new residential property in International City with 100 apartment.

The company did not divulge the cost of the acquision. Lootah Real Estate will finalise the remaining 40 per cent of construction work on the B+G+7 residential building including the enhancement of façade and other facilities, and will hand it over for leasing in Q1 of 2018. The Lootah Residence II building will feature 100 apartments comprising 38 studios, 48 one bedroom apartments and 14 two-bedroom apartments, in addition to a state of the art gymnasium and covered parking spaces. Located in International City Phase 3, the property will offer residents a cosmopolitan community experience, a wide range of sports facilities, lush communal green spaces and efficient community infrastructure.

Saleh Abdullah Lootah, Executive Director of Lootah Real Estate, said: “We have a very positive outlook on the future of the real estate market in the UAE, and we believe that the Dubai property market will only grow and mature in the years leading up to 2020. The demand on new projects and the size of investments entering the country are on the rise.” ■

DLD concludes major roadshows

Majida Ali Rashid, Assistant Director-General of Dubai Land Department, flanked by officials at one of the international roadshows organised by Dubai Land Department in Russia and the United Kingdom, to attract investment in to Dubai's real estate

With a mandate to promote Dubai around the world as a preferred real-estate investment destination, Dubai Land Department has launched two roadshows and a number of workshops in Moscow, Russia, in addition to two scheduled launches in London, UK on 3rd and 4th December.

The initiative aimed to familiarise residents of Russia and the UK with the Dubai property market and its real estate developers. Russian and British nationals are amongst the top investors in Dubai, and Dubai Land Department (DLD) has launched this roadshow initiative to promote the Dubai real estate sector in different markets around the world starting in Moscow.

Russian nationals have traditionally been attracted to Dubai's premium real estate offering, which features relatively lower prices compared with New York, Paris, Hong Kong or Singapore. Dubai's sunny climate, good flight connections with larger Russian cities, strong health and transport infrastructure, and abundant leisure facilities all attract Russian buyers and investors.

Majida Ali Rashid, Assistant Director-General and Head of the Real Estate Investment Management and Promotion Center the Investment arm of DLD, said: "The roadshows are a unique opportunity for participating developers to engage with an important target market and present what they have to offer in these two countries.

"Dubai is strategically located between Europe, Asia, Africa, and centrally among Middle East countries, and offers a cosmopolitan culture and an amazing lifestyle to over 209 nationalities. The Dubai Real Estate market is booming and now is an ideal time to invest in Dubai".

"Dubai is a hotspot for UK property investors with its luxurious lifestyle, world class infrastructure, high rental income, very good returns on investment and up to 50 per cent finance available for foreign investors. UK Nationals are one of the top tourists to Dubai, and UK investors' visit Dubai each year, and have been increasing by 10 per cent per year."

The UK is home to not only British investors, but also home to a strong community of Arab and Asian investors, and London in particular has the world's largest concentration of high net-worth individuals.

Dubai is highly affordable and attractive to British investors who have always made a considerable impact on the tourism and real estate sectors of Dubai. ■

Dubai attracts Dh25bn FDI

Dubai Government said, the emirate has attracted Dh25.5 billion foreign direct investment (FDI) in 2016, making it the seventh highest recipient city of FDI in the world.

"Total FDI into Dubai stood at Dh270.8 billion between 2011 and 2015 and in 2016, the emirate ranked 7th among the leading cities of the world attracting Dh25.5 billion in FDI. As an open economy, Dubai is affected by global trends but FDI receipts are expected to recover in 2017-2018," a report by the Department of Economic Development (DED), the government's trade licensing body, said recently.

In terms of openness, Dubai ranks third in the world after Luxembourg and Hong Kong, with a high degree of dependence on foreign trade for income. Dubai's openness ratio was 321 per cent in 2016.

"Diversification and a relatively high degree of openness in Dubai along with the positive impact of global trends will boost economic growth in the emirate in 2018 and beyond," according to the Dubai Economic Outlook report released ercently. "Dubai will achieve 3.5 per cent growth in 2018, also drawing on the continued recovery in global trade and the highest growth rates in most developed economies." ■

Exhibitions and conferences help Dubai's hospitality sector in a big way as they help full up the hotel rooms in most hotels in Dubai, especially during the big exhibitions

DWTC eyes 172,000 visitors

The Dubai World Trade Centre (DWTC), the largest exhibition and conference facility in the Middle East, said, it will host more than 172,000 trade visitors and 6,000 exhibiting companies.

These industry leading events range from healthcare and science, to technology and design, including Arab Health, the largest medical exhibition and conference in the Middle East, CABSAT, Intersec, Sign and Graphic Imaging Exhibition and more.

Mahir Julfar, Senior Vice President - Venue Services Management, Dubai World Trade Centre said: "We look forward to hosting yet another eventful year at the Dubai World Trade Centre. We are proud to remain key players in the steady prosperity and growth of the MICE industry, contributing towards the economic progress of the emirate. We are remain committed to offer commercial communities from all over the world a platform to help them network, discover new markets, expand their portfolios, and grow their businesses.

DWTC has been at the forefront of its efforts to lead and grow the MICE industry in the region, as well as to connect businesses from the world over with industry professionals. We are excited to witness the success that this year will bring to the emirate, the region, and the MICE industry," he added.

Arab Health will return at the end of this month from 29 January – 1 February. This year's edition is expected to welcome more than 4,200 exhibiting companies and approx. 103,000 attendees from over 150 countries. Arab Health will be accompanied by 19 business, leadership and Continuing Medical Education (CME) conferences providing the latest updates and insights into cutting edge procedures, techniques and skills.

The first half of 2018 will witness a diverse calendar of trade exhibitions and events representative of the region's core growth industries that are healthcare, information technology, transport, energy, tourism, food, real estate, and construction.

DWTC remains the preferred MICE destination in the region. Facilitating business tourism, creating new opportunities for local and global businesses and organisations, as well as providing a networking platform for businesses and individuals the world over remains at the forefront of DWTC's objectives. ■

IPS has more national pavilions

The International Property Show (IPS), the Middle East's biggest property sales platform for local and international real estate markets, is set to take place in Dubai from 9th to 11th April 2018 at the Dubai World Trade Centre, where it will be driving international sales through Country Pavilions that open up a world of investment opportunities for expats.

The Country Pavilions, including India, Egypt, Europe (Cyprus, Spain, Portugal, Greece, UK, Montenegro, and Georgia), Pakistan, Turkey, North America and Asia, form part of the new IPS Mega Property Sale, which is designed to provide buyers with an excellent opportunity to buy property through exclusive deals with low interest rates.

Dawood Al Shezawi, CEO of IPS Organizing Committee commented: "The global scope of IPS 2018 is a testament to the growing international acclaim of the show, which is now attracting real estate companies from across the world. The Country Pavilions are a vital part of our new 'Mega Property Sale', as they will allow UAE expats to access major international real estate markets while also providing developers with an effective way to promote and sell their properties at attractive rates. ■

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