Gulf Property

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How Shurooq is changing the landscape of Sharjah

EXCLUSIVE INTERVIEW

Joseph Ghossoub, Chairman of G&Co
Faizal Kottikollon, Chairman of KEF Holdings
Babulal Varma, Managing Director of Omkar
Amit Dahima, Fidu Properties

COVER STORY
Ramy Jallad, Group CEO, RAKEZ

Ramy Jallad:

Boosting investment flow to RAK

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EDITORIAL

Reforms to help small businesses survive

Latest reforms in removing employee bank guarantee, ease in visa, 100% foreign investment and a 10-year residency could help investors and companies to bounce back and help the overall economy

The sweeping reforms announced by the UAE federal government including granting 100 percent foreign ownership to foreign investors, a 10-year residency to investors, professionals in addition to the removal of the Dh3,000 bank guarantee replacing it with a Dh60 health insurance will go a long way in supporting the struggling small companies to recover from the current economic situation.

In Dubai, the trade licensing authorities are waiving fines and reducing fees while allowing companies to pay for the trade license renewals in 12 monthly installments. Abu Dhabi Government is injecting Dh50 billion to stimulate the economy.

How it helps the real estate market – is to be seen. However, the resurgence of oil price is comforting. Although it pushes up the gasoline price and thus contributes to inflation, but the higher oil price means higher government revenues that will be invested in infrastructure and housing.

The good news is that property prices are at rock-bottom and developers are going the extra mile to help property buyers. There is a growing number of ready-to-move-in homes in Dubai and the buyers could choose homes according to their budget.

Most developers are luckily focussing on the affordable homes and they are getting snapped up by the property buyers and investors. The latest project launch, Lawnz, by Danube is a case in point that witnessed the sell out of 76 percent of the Phase I in three days.

It offers studios from Dh290,000, one-bedroom apartment from Dh499,000 and two-bedroom apartment for Dh699,000! The success of Danube's latest project proves that there is no shortage of buyers for the right properties at the right location at the right price and that comes with the right payment plan.

– T. Akhtar

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

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CIRCULATION
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UAE non-oil growth 4-month high: PMI

The health of the UAE's non-oil private sector improved at the fastest rate in four months in May, according to 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.

The headline seasonally adjusted Emirates NBD UAE PMI rose to 56.5 in May, from 55.1 in April. The figure was indicative of a sharp improvement in business conditions across the non-oil private sector, and one that was above the long-run average. The PMI has registered in growth territory continuously since September 2009.

"Sharper growth in both output and new orders were the key drivers behind the latest expansion. Furthermore, new export business reached a 30-month high alongside reports of stronger demand from neighbouring GCC countries. Responding to robust market conditions, new project wins and strong growth impetus, firms reported the highest degree of confidence towards the year ahead since this index began in early-2012," it said.

Reflecting sharp growth in client demand, new project wins and developments surrounding Expo 2020, positive sentiment in the non-oil private sector reached its highest for at least six years. Reflecting a strong level of business confidence alongside rising output requirements, firms hired additional staff at the fastest pace in four months. That said, the rate of growth was only slight overall and below the long-run average. Some firms that reported falling employment levels linked this to cost optimisation.

The survey, sponsored by Emirates NBD and produced by IHS Markit, contains original data collected from a monthly survey of business conditions in the UAE non-oil private sector.

Commenting on the UAE PMI® survey, Khatija Haque, Head of MENA Research at

56.5

UAE Purchasing Managers' Index reached in May 2018

Emirates NBD, said: "The strong PMI reading in May was partly due to a rebound in export orders - reflecting improved external demand conditions - as well as significant price discounting domestically. As a result, while the headline index shows strength in activity, profit margins remain under pressure."

On the price front, firms reported a reduced level of input cost inflation in May. Softer staff cost and purchase price inflation contributed to only a modest increase in operating costs. Promotional activity was reported in the most recent survey, as reflected by a solid drop in output charges.

May data signalled a continuation of rising backlogs of work in the non-oil private sector. The current phase of build-up was extended to 17 months. Firms linked higher levels of work outstanding to strong inflows of new business.

Stocks of input goods rose in the May's survey. According to anecdotal evidence, companies acquired additional stockpiles of goods in anticipation of rising output requirements. ■

Dubai private sector growth 13-mths high


Dubai's non-oil growth is 13-months high, says Emirates NBD Economy Tracker

Dubai's non-oil private sector showed a sharp and accelerated improvement in health, according to the latest survey data compiled by Emirates NBD – the country's largest lender.

"Output and new orders both expanded at the strongest rates since early 2015, with increases in the travel and tourism and wholesale and retail sectors key drivers of May's improvement. Reflective of strong business conditions in the sector, positive sentiment was at its highest since the series began in April 2012," it said.

The seasonally adjusted Emirates NBD Dubai Economy Tracker Index scored 57.6, up from 53.9 in April. The latest figure signalled a sharp improvement that was the strongest recorded since April 2017.

Wholesale and retail led the upturn on a sector basis, with an index reading of 58.3, closely followed by travel and tourism (57.3). At 54.6, down marginally from 54.9 in April, construction was the only sector to record softer growth in May.

A reading of below 50.0 indicates that the non-oil private sector economy is generally declining; above 50.0, that it is generally expanding. A reading of 50.0 signals no change.

The survey covers the Dubai non-oil private sector economy, with additional sector data published for travel and tourism, wholesale and retail and construction.

Khatija Haque, Head of MENA Research at Emirates NBD, said: "The sharp rise in the Dubai Economy Tracker index supports our view that growth in Dubai will be faster this year relative to 2017, but the headline reading masks the squeeze on profit margins which is also evident in the survey data. Firms, particularly in the wholesale and retail sector, cut prices aggressively to boost their output and new orders last month."

Output across Dubai's non-oil private sector increased at the fastest pace in 40 months during May. Business activity has risen continuously on a monthly basis since March 2016. According to anecdotal evidence, a sharp expansion in new order books which in turn was linked to promotional activities and strong client demand, led to rising output requirements in the sector.

Despite steep increases in activity and new work, firms hired additional staff at only a fractional pace in May. Many respondents indicated that employment growth was restricted due to efforts to contain costs.

Continuing the current phase of growth that began in March 2016, latest data signalled a further improvement in new order books. Furthermore, the rate of growth accelerated to a 39-month high amid successful promotional activities and robust demand conditions. ■

UAE Central Bank freezes bank fees

The UAE Central Bank has announced imposing caps on the maximum service fees and charges, to protect the consumers from paying excessive fees and service charges. It also instructed banks and finance companies to display the new fee caps on their websites.

"The UAE Central Bank (CBUAE) announces that it has published an Amendment to 'Annexure 2' of the Regulations Regarding Bank Loans & Services Offered to Individual Customers (2011). This Amendment sets out the new maximum limits or 'fee caps' for fees or commissions charged on retail customer service. The fee caps apply to banking consumer related charges for example, home loans and late fees for credit cards," a UAE Central Bank statement said.

"If consumers notice incidents of non-compliance they are urged to notify the Central Bank immediately.

"This amendment comes as CBUAE is undertaking more supervision of the banking sector with consumer protection principles - competition inhibiting, usury, notary function, and strategic related principles. Furthermore, banks must have the appropriate product approval processes in place for all products."

Fee caps are being used as a tool to protect consumers from unfair practices. ■

DED issues 1,689 new licenses

The Department of Economic Department (DED) issued 1,689 new licenses and completed 26,184 transactions relating to business registration and licensing in the emirate during the month of May 2018.

Renewal of existing licenses accounted for the largest share of the total transactions as their numbers reached 12,618, according to data recorded on the 'Business Map' digital platform the Business Registration and Licensing (BRL) sector in DED.

The Business Map showed that 2,954 of the transactions during the last month were related to Trade Name Reservation, 2,083 to Initial Approvals, and 3,013 to Commercial Permits. There were also 5,122 Auto Renewal transactions, 97 related to Instant License, and 119 e-Trader license transactions as the emirate continued to attract investors with its strong credentials as a regional and global business hub.

The outsourced service centres, a growing network providing competitive services to customers, accounted for 77.6 percent or 18,446 of the total transactions completed during May 2018.

The top ten nationalities among customers were Indians, Pakistanis, Egyptians, followed by Chinese, Jordanians, British, Bangladeshis, Saudis, Syrians and Lebanese in that order. ■

Dubai eases fee & fine payment

Dubai Government's trade licensing body – the Department of Economic Development (DED) – said, it has exempted companies and business establishments in Dubai from all fines imposed on them and granted them time till end of 2018 to renew their licenses.

"The DED launched a package to make it further easier for businesses to clear fines and renew their licenses. The package will allow businesses to pay their fees and fines in easy instalments, freeze their trade license for a year and seek an amicable settlement with DED on commercial violations," it said in a statement.

"The service package is part of enabling businesses to overcome obstacles and benefit from a credit facility that would allow them to maintain competitiveness. DED had recently exempted companies and business establishments in Dubai from all fines imposed on them and granted them time till end of 2018 to renew their licenses."

The move comes after Abu Dhabi and Dubai governments have announced a number of stimulus packages to create employment and sustain businesses. However, in Dubai, the announcements are more on the lines of offering leniency in paying fines or reducing fines and fees – in order to help struggling companies continue their business activities amid declining demand and business activities.

The move comes a few months after the government raised fees and introducing a 5 percent value-added-tax (VAT). The new package allows for the payment of license renewal fees and accumulated fines through instalments in 12 months. DED is extending the facility in co-operation with its strategic partner aafaq Islamic Finance and a number of local banks.

Mohammed Al Shehhi, Deputy CEO, Corporate Support Services sector in DED, said: "The DED is committed to enhancing competitiveness in Dubai through extending value added facilities that help business owners continue their activity and sustain their business. Eliminating all obstacles faced by companies is important to developing the economy and creating a competitive environment conducive to investment in Dubai."

Investors can apply for the fees not to be paid and avoid fines in case they wish to temporarily freeze doing business while retaining their license. The waiver applies to fines issued before 14/04/2018 and for fines issued after this date license holders can take advantage of the offer of amicable settlement and payment in instalments. ■

UAE's openness and business-friendly environment will continue to attract investment

UAE tops MENA FDI list with $10.35 bn

The UAE, with US$10.35 billion foreign direct investment (FDI) inflow, remained the top investment destination in the Middle East, according to the annual World Investment Report 2018, published by United Nations Council on Trade and Development (UNCTAD). UAE's total FDI stock rose to $129.93 billion in 2017, up from $119.58 in 2016. In 2017, UAE investors invested $13.95 billion in other countries – higher than the investment attracted by the country – thus making it a net capital exporting country in the region.

Compared to the UAE, its regional peers performed the worst in attracting FDI. Saudi Arabia attracted only $1.42 billion while Qatar attracted a dismal $986 million – less than the $1 billion mark.

$1.43 trillion foreign direct investment recorded in 2017

"In a world where deglobalisation and protectionism is gaining momentum, the UAE will continue to attract investment due to is openness and a more investment-friendly environment," a Dubai-based business analyst, requesting anonymity, said.

"In the coming years, global investors will find the UAE a much safer haven to invest due to the economic opportunities being created for foreign investors, in addition to maintaining an investment-friendly environment. The announcement of the Dh165 billion investment in downstream petrochemical sector by Abu Dhabi – will help new industries to develop in the UAE and help attract more foreign investment coming in the country. This is one example.

"Besides, the UAE's early adoption of the Fourth Industrial Revolution or Industries 4.0, it will attract more investment in futuristic industries such as artificial intelligence and robotics, cyber-security, internet of things, bio-technology, big data, etc. These factors as well as a higher return on investment and the investors' ability to move capital freely in and out of the country easily, will continue to attract investment to the UAE."

However, the UAE's impressive record comes at the backdrop of a 23 percent decline in global FDI flows in 2017, to $1.43 trillion from $1.87 trillion in 2016, according to UNCTAD's World Investment Report 2018. The decline is in stark contrast to other macroeconomic variables, which saw substantial improvement in 2017.

"Downward pressure on FDI and the slowdown in global value chains are a major concern for policymakers worldwide, and especially in developing countries," UNCTAD Secretary-General Mukhisa Kituyi said. "Investment in productive assets will be needed to achieve sustainable development in the poorest countries."

The global fall was caused in part by a 22 percent decrease in the value of mergers and acquisitions. But even discounting the large one-off deals and corporate reconfigurations that inflated FDI in 2016, the 2017 decline remained significant. The value of announced greenfield investment – an indicator of future trends – also fell by 14 percent, to $720 billion.

"Prospects for 2018 are therefore muted. Global flows are forecast to increase marginally but remain well below the average over the past 10 years. An escalation and broadening of trade tensions could negatively affect investment in global value chains. Tax reforms in the United States are likely to significantly affect global investment patterns," the report said.

The negative FDI trend is caused by a decrease in rates of return. The global average return on foreign investment is now at 6.7 percent, down from 8.1 percent in 2012. FDI remains the largest external source of finance for developing economies. It makes up 39 percent of total finance in developing economies. It now accounts for less than a quarter in the least developed countries. ■

Palm Pointe fountain costs Dh66m

Nakheel has signed a contract worth Dh66 million for a spectacular, choreographed fountain at The Pointe, its new, Dh800 million waterfront dining and entertainment destination on Dubai's world-famous Palm Jumeirah.

The developer has appointed one of China's largest fountain specialists, Beijing Water Design, to deliver and operate the fountain, which will cover a 12,000 square metre area of water at the tip of the island, across the bay from Atlantis The Palm.

Operated by Nakheel Malls, the retail arm of Nakheel, The Pointe features nearly 70 restaurants, shops and attractions, with F&B making up some 70 per cent of the concepts on offer. There is also a cinema, children's play area, supermarket, gyms and beauty salons.

Located five kilometres out to sea, The Pointe enjoys cool sea breezes and stunning views. Its 1.5 kilometre promenade is a destination in itself for residents and tourists to unwind at one of Dubai's most iconic locations, or snap the perfect holiday pictures against a stunning backdrop.

The Pointe has a car park for 1,600 vehicles, and will have a monorail station. There are also plans for boat access from Palm Jumeirah's hotels and resorts. ■

Wade Adams gets Dh447m Nakheel job

The Deira Islands bridges are crucial infrastructure projects for the new islands

Dubai government-owned master developer Nakheel has awarded a contract worth Dh447 million for the construction of a 12-lane bridge connecting the Dubai mainland with Deira Islands.

The 600 metre bridge, being constructed by Wade Adams Contracting under the supervision of the Roads and Transport Authority (RTA), will provide the main access route to the new, 15.3 square kilometre waterfront city. Work began in May, and is scheduled for completion in the second quarter of 2020. The bridge starts at Al Khaleej Road on the mainland and leads to Deira Islands A, where several new Nakheel developments, including Deira Islands Night Souk, Deira Mall and RIU and Centara resorts are currently under construction.

Deira Islands will be a world-class hub for tourism, leisure, retail and entertainment, and a key contributor to the Government of Dubai's tourism vision. The project will add 40 kilometres of new coastline to Dubai, house 250,000 residents and create 80,000 new jobs.

25,000

No of units in Nakheel pipeline

Nakheel Chairman Ali Rashid Lootah said: "We thank the RTA for its ongoing assistance and co-operation for our transport links at Deira Islands, where we have now invested more than AED8.5 billion in infrastructure and construction contracts, with more on the way."

Nakheel, developer of the palm-shaped islands off the coast of the Arabian Gulf, has created a number of master developments that helped re-shape Dubai's skyline, including Palm Jumeirah, The World, Deira Islands, Jumeirah Islands, Jumeirah Village, Jumeirah Park, Jumeirah Heights, The Gardens, Discovery Gardens, Al Furjan, Warsan Village, Dragon City, International City, Jebel Ali Gardens and Nad Al Sheba.

Together, these span more than 15,000 hectares and currently provide homes for over 270,000 people. Nakheel has around 25,000 residential units under construction or in the pipeline.

The company's growing hospitality project portfolio comprises 18 hotels and serviced apartment developments with over 6,500 rooms and hotel apartments between them at various locations in Dubai. ■

60% of UAE staffs work elsewhere

Flexible working helps companies retain top talents, survey reveals

More than half of UAE employees work remotely every week, and over 50 percent do so for at least half of the week, heralding a major reassessment of corporate real estate, according to new study by International Workplace Group (IWG), the parent group of leading workspace companies including Regus.

18,000 people were surveyed in 96 countries

The UAE study was part of a comprehensive global study based on the insights of over 18,000 business people across 96 companies. It found that every week 60 percent of the UAE employees are working at least one day a week somewhere other than the office. More than half (52%) work remotely for half of the week or more, whilst one in 10 (10%) people work outside of their company's main office location five times a week.

Globally, the results reflected a similar trend in the workforce with every week 70 percent of employees are working at least one day a week somewhere other than the office. According to the study, the emergence of this mobile workforce has been driven by technological change, globalisation and changes in employee expectations.

Mark Dixon, founder and CEO of IWG, said: "People from Seattle to Singapore, London to Lagos no longer need to spend so much time in a particular office. We are entering the era of the mobile workforce and it is hugely exciting. Not just for individual employees, but for businesses too. This is a huge shift in the workspace landscape globally, and businesses are now looking closely at what this means for their corporate real estate portfolios."

The study by IWG also found that UAE businesses recognised that offering flexible working strategies to their employees provided them with significant benefits: Business growth (91% - 2% above the global average), Competitiveness (97% - 10% above the global average), productivity (85% - 3% above the global average), attracting and retaining top talent (84% - 4% above the global average), profit maximisation (91% - 8% above the global average)

For generations, the world has understood office-based work to involve a fixed location and a 9-5 schedule. But an unprecedented number of businesses are now adopting a very different working model, which produces benefits for them and their workers.

The IWG survey found that flexible working not only reduces commuting time, but enhances productivity, staff retention, job satisfaction and even creativity. This is in addition to the financial and strategic advantages that it brings for businesses.

The move to flexible workspaces reflects the changing demands and expectations of the workforce. About 84 percent of those surveyed in the UAE agree that flexible working helps them retain top talent whilst 65% are now offering this to help them recruit. Almost half (44%) agreed that offering flexible working improves job satisfaction, demonstrating the need for businesses to provide working environments suited to today's employees to maintain a first-class workforce.

The benefits UAE businesses are experiencing are clear: a resounding 86% said that flexible workspaces enable employees to be more productive while on the move. The survey showed also that flexible working and the use of shared workspaces are no longer the preserve of start-ups. Over 18,000 professionals from a range of different industries in 96 countries were surveyed in the IWG Flexible Working Survey. The sample is drawn from an IWG global contacts database of over 2.1 million senior businesspeople, managers or business owners, worldwide. IWG is leading the workspace revolution. ■

Bloom ends enabling works

Bloom Properties, a Bloom Holding business specializing in the development of integrated and sustainable communities, announced the completion of enabling works at Bloom Towers, a residential development located in Jumeirah Village Circle (JVC) in Dubai.

National Piling, a leading contracting company with long-standing experience in general construction and civil engineering, executed the project that is scheduled for completion in Q4 2020.

Launched at Cityscape Abu Dhabi 2017, Bloom Towers, once complete, will include three independent high-rise buildings comprising a total of 944 units built over a four-level podium. Two towers are allocated for sale, featuring 689 contemporary studios and one-bedroom apartments boasting a timeless and elegant design and quality finishes.

Targeting the mid-market housing segment, Bloom Towers attracted high investor uptake following its launch due to its accessible location and excellent potential for rental and capital value growth. Ideally located on Al Khail Road within a short commute from Dubai's major business hubs and free zones, the development will provide a complete range of facilities to help residents achieve a perfect work-life balance. ■

Address Downtown opens after NYE fire

Nearly two and a half years after a devastating fire that engulfed Address Downtown hotel at Downtown Dubai district next to Dubai Mall and close to Burj Khalifa, on December 31, 2015, it re-opened after a massive refurbishment with a Dh1.22 billion insurance settlement with Arab Orient Insurance last year.

The fire at the 63-storey tower, which has been closed since, was caused by an electrical short circuit on a spotlight, according to the police. The hotel was expected to re¬open in the middle of this year after Emaar hired Dubai-based Dutco Group as the contractor to undertake restoration work on the hotel in what it said would be "record time".

"Address Downtown, the flagship hotel under Emaar Hospitality Group's premium lifestyle Address Hotels + Resorts brand, has opened its doors to hotel guests, marking the arrival of Dubai's much-loved destination, popular among visitors from across the world," Emaar Properties said in a statement.

Dh1.22 billion was the fire insurance claim by Emaar Properties

"Address Downtown has opened with several innovative features including new restaurant concepts, additional rooms and suites, The Spa at Address Downtown, and a brand-new interior design. With 220 guest rooms and suites, several of them opening to spectacular views of the iconic Burj Khalifa and The Dubai Fountain, Address Downtown will add additional features in the coming days."

Towering high at 302 metres in 63 levels, Address Downtown is one of the world's foremost references for luxury hospitality, only 15 minutes from the Dubai International Airport. The hotel is also near the city's business hubs such as the Dubai International Financial Centre and the Dubai International Convention Centre.

The 220 rooms and suites of Address Downtown are equipped with high-speed wireless Internet, interactive TVs, room automation and an entertainment interface.

Olivier Harnisch, Chief Executive Officer of Emaar Hospitality Group, said: "Address Downtown holds a very special place in the hearts of all discerning travellers and guests. Defined by its central location overlooking Burj Khalifa, the hotel has consistently secured the world's leading tourism and hospitality awards. The hotel will continue to uphold its distinctive positioning of 'where life happens'." ■

Aldar delivers Dh3.2 b West Yas

West Yas Community will soon become vibrant with residents

Adar Properties said, it will start delivery of villas within its West Yas community in June 2018. The handover process will be undertaken in phases, the first of which incorporates 300 villas, and continue throughout the remainder of 2018.

Launched in September 2015, the Dh3.2 billion West Yas community consists of 1,014 four and five bedrooms villas, ranging from 488 to 580 square metres. Homes are still available for purchase within West Yas with prices starting from Dh4.8 million. Its location on the iconic Yas Island offers residents waterfront views, an abundance of green open spaces, and close proximity to Yas Mall and the island's other leisure facilities, beaches and hotels. As a non-gated community, there are no service fees payable by villa owners.

$10 bn
value of Aldar Properties' total assets

Maan Farid Al Awlaqi, Executive Director – Commercial, at Aldar Properties, said: "We are proud to start the handover of West Yas to customers, which marks the expansion of the residential population on Yas Island and builds on the handover of apartment community Ansam earlier in the year. West Yas is a key component of Yas Island, offering a full range of community amenities for residents of all nationalities. The delivery of these prime villas reinforces our reputation for delivering high quality homes in desirable locations and we look forward to continuing Yas Island's success story as Abu Dhabi's most exciting destination."

As part of the handover process, Aldar is offering customers the opportunity to incorporate a number of smart technology options into their homes which focus on safety and security, cost saving, sustainability and lifestyle and convenience. Solutions being offered include smart lighting and thermostats, smart locks, fire alarm systems, security cameras, smart door and window sensors, motion sensors and smart home assistants.

West Yas features attractive amenities and facilities for its community, including a mosque for 2,000 worshippers, two schools, a retail centre, sports facilities, a petrol station, and extensive landscaping and greenery in its open public spaces, which overlook the mangroves surrounding Yas Island.

Client inspections, snagging and disinfecting of villas is well under way, and the garden plots will feature sweet soil instead of sand, to enable home owners to start grassing their lawns and put in their own plants.

As at the end of Q1 this year, West Yas was 80 percent sold, which equates to 801 villas, with a sales value of Dh3.66 billion. Those interested in West Yas can visit Aldar's sales centre on Yas Island.

Aldar Properties is the leading real estate developer in Abu Dhabi with $10 billion in assets, a 75 million square metres land bank, and through its iconic developments, it is one of the most well known in the UAE, and wider Middle East region. From its beginnings in 2005 through to today, Aldar continues to shape and enhance the urban fabric of the UAE's Capital City in addition to other key areas of the Emirate.

Aldar develops innovative projects, such as the internationally recognized HQ building situated in the Al Raha Beach development, the Gate Towers in Shams Abu Dhabi on Al Reem Island, in addition to Yas Island's F1 circuit. ■

Wasl leases out Block 1 at Wasl District in 1 week

Wasl Properties, a subsidiary of Wasl Asset Management Group, has announced the official release of 'Block A' — phase two of Wasl District into the market, after leasing out 166 units of the first phase in a record one week that was delivered in December 2017.

The company's mission is to maintain the city's rich history and strives to cater to its customers' needs by delivering on their perceptions. Wasl District brings residents an authentic blend of traditional Emirati architecture with a range of modern amenities and facilities. 'Block A' offers residential apartments from one-bedroom to three-bedroom apartments, some with a maid's room, that range from 833 to 2,712 square feet in size. Apartments on higher floors will also enjoy large terraces and a pristine view of the city.

Zainab Mohammed, Chief Property Management and Marketing Officer at Wasl Properties, said: "Last year we handed over 166 units that comprised the first phase of the project, all of which were leased within a record one week. Due to a high demand for quality residences within the area, we are now proud to deliver 190 additional units as part of the second phase of the project." ■

IREIS 2018 to offer the best properties

Exhibitions such as IREIS help property developers to market properties

UAE-based International Real Estate and Investment Show (IREIS) is set to bring the biggest local and international names in the real estate and property investment industry to the UAE's capital. Scheduled to be held at the Abu Dhabi National Exhibition Centre(ADNEC) from November 1st to 3rd, 2018, the show will be a one-stop shop for global investors who seek real estate investment opportunities in the UAE.

The 10th edition of the International Real Estate and Investment Show, a B2C sales and networking platform where spot sales are permitted, is bringing leading local and foreign real estate developers and agents under one roof will reflect the attractiveness of UAE's real estate sector and will attract investors from various parts of the world.

The show is expecting over 125 high-end exhibitors and more than 12,000 visitors. To give a greater value to the exhibitors and visitors, the associated events that will complement the main IREIS Abu Dhabi 2018 are 'International Real Estate Conference', 'Citizenship & Residency Expo' and the 'Global Investor Meet'.

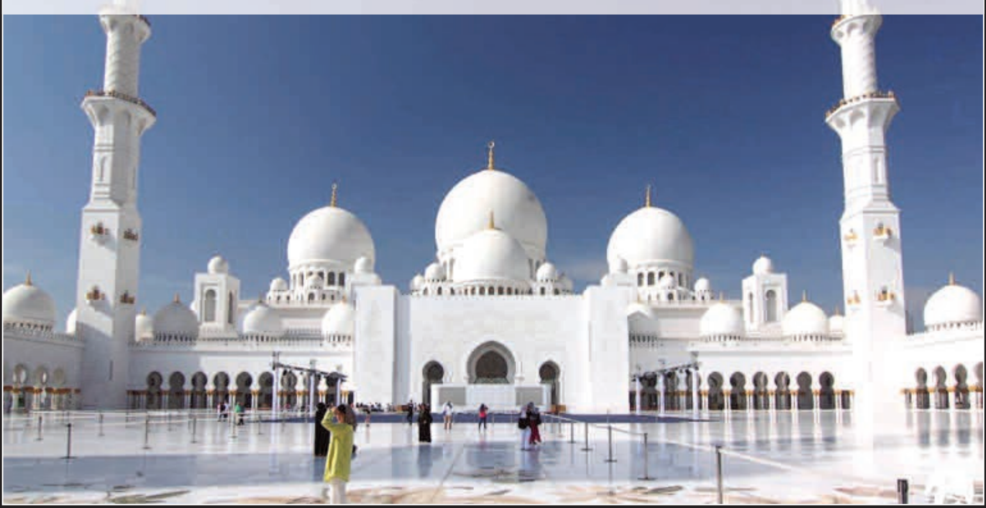
Antoine Georges, Managing Director of Dome Exhibitions, said "Despite slow and gradual pace of UAE real estate market, investors have faith in the emirate based on Abu Dhabi's reserves, government economic stimulus and affordable inventory. It was reflected in our in-house data of UAE and foreign real estate companies. Higher oil prices have provided added stimulus to the market and boosted investor confidence."

Deloitte's Middle East Real Estate and Construction 2018 report said: "Dubai has developed a business friendly legal and regulatory environment. The Heritage Foundation's 2017 Index of Economic Freedom ranked the U.A.E. as the 8th most free economy in the world, calling out efforts to strengthen the business climate, boost investment and foster the emergence of a more vibrant and diverse private sector.

"This has allowed Dubai to build globally competitive economic sectors including finance, logistics, maritime and tourism. The growth in these sectors in Dubai will continue to drive demand across the real estate market, including office, residential, retail, hospitality, industrial and logistics uses."

Dubai remains an attractive destination for investors which is evident from the emirate's data of investors, who belong to more than 217 nationalities from all over the world. Dubai Land Department reports showed that 13,759 real estate transactions worth Dh58 billion were recorded in Q1 2018. ■

Dubai now hosts 2,091 mosques



UAE now operates 4,818 mosques

The number of mosques in Dubai reached 2,091 with the total capacity of prayer exceeding 624,000 by end of 2017 according to data issued by Islamic Affairs and Charitable Activities Department (IACAD).

Almost 400 mosques were built in Dubai between 2008 and 2012. Philanthropists play an important role in supporting the building of mosques in Dubai, with citizens paying for 499 of mosques in the emirate.

There are about 4,818 mosques in the UAE open all day long to call for piety, righteousness, and peace. There are 2,212 mosques in Abu Dhabi emirate, 973 in Ras Al Khaimah, 734 in Sharjah, 302 in Ajman, 291 in Fujairah and 176 in Umm Al Quwain.

“The total number of masjids and musallas in Dubai reached 2091 in 2017 excluding Eid Musallas. They are divided into two categories, masjids that host Friday prayer representing 32 percent of all Dubai's masjids and masjids that host only regular prayers which represent 68 percent out of the total number of masjids and musallas in Dubai," Muaid Salami, Social Statistics Section Manager at Dubai Statistics Center (DSC) said.

"The average annual growth of masjids during 2012- 2017 was 8.2 percent."

As for masjids' capacity, Salami stated that the number of masjids that facilitate the capacity of 100 to 599 worshiper is 1567 masjids representing 74.9 percent of the total masjids and Musallas in Dubai. Meanwhile, the number of masjids with a capacity of 600 to 1000 worshiper is 390 masjids, that is 18.7 percent of the total number of masjids and masjids with a capacity of more than 1000 worshiper are 134 ones representing 6.4 percent of the total number of masjids and musallas in Dubai.

"Indeed, this continuous growth in the number of masjids and the notable development in the quality of their construction corresponds to the world-class standards of construction. This reflects IACAD's keenness to actually realise the Government's vision and policies, which aim at promoting our Islamic heritage, highlighting its Islamic identity and making masjids available in various residential, commercial, industrial and tourism areas," said Muaid. "Additionally, IACAD strives to appoint qualified and competent Imams and Khatibs to operate all these masjids."

IACAD also supervises 8 Eid Musallas throughout Dubai in the following areas: Nad Al Hamar, Umm Suqaim First, Al-Aweer 2, Al-Baraha, Hatta, Al-Lesaily, Al Barshaa 2 and Al Mankhool. The capacity of these Eid Musallas accommodate more than 277,000 worshipers. ■

Nakheel gets Dh650 m Dragon Towers bid

Master developer Nakheel is assessing 11 proposals, with the lowest bid at just under Dh650 million, for the construction of Dragon Towers, its twin-building residential complex at the rapidly-expanding Dragon City community in Dubai.

Dragon Towers, which will be released for sale in early fourth quarter this year, comprises 1,142 one and two bedroom apartments across two buildings and is directly linked to the world-famous Dragon Mart retail and trading hub.

The complex will have a podium-level clubhouse with a swimming pool, restaurant and gymnasium, as well as two floors of retail facilities and four parking floors. Nakheel will award the contract in the third quarter of this year, with construction completion in 2021.

The news comes a day after Nakheel announced that construction of the third expansion at Dragon City – an Dh169 million showroom and car park complex – has reached the 80 per cent mark.

Dragon Towers is part of Nakheel’s ongoing retail, hospitality and residential expansion at Dragon City, which is already home to Dragon Mart 1, Dragon Mart 2 and an ibis Styles hotel. A second hotel is currently under construction. ■

Aldar working with Viceroy hotel

Aldar Properties said, it is working with Viceroy Hotel Group on a Viceroy branded property in Abu Dhabi.

The move comes after Aldar appointed Marriott as operator of the Yas Viceroy Hotel, removing Viceroy as the hotel's operator.

Viceroy came on as operator of the Yas property back in 2011, marking its entrance into the Middle East, Viceroy's dismissal from the Yas Island property comes at the same time a year ago that it was relieved of managerial duties from the Viceroy on Dubai's Palm Jumeirah. In 2013, Viceroy signed a management agreement with the hotel's owner, an affiliate of Five Holdings.

Four years later, on June 19 of last year, Five removed Viceroy from the hotel.

Jassem Busaibe, Chief Investment Officer of Aldar Properties, said: "We are pleased to continue our relationship with Viceroy Hotel Group on this hospitality project in line with our strategy to leverage partnerships with international operators and brands for our portfolio of eleven hotels."

Bill Walshe, CEO of Viceroy Hotel Group, commented: "We are excited by what the next chapter brings for Viceroy Hotel Group in the region. We look forward to working with them in the drive to position Abu Dhabi globally." ■

This is how Fujairah Business Centre will look like, when completed

Dh460m Fujairah Biz Centre underway

Dubai Investments, the leading, diversified investments company listed on the Dubai Financial Market, has announced that the Dh460 million Fujairah Business Centre project, being developed by its joint venture entity Al Taif Investment, is progressing ahead of schedule.

Al Taif Investment, DIC's joint venture with Fujairah Investment Establishment [FIE] – the investment arm of Fujairah Government, announced that the project will be completed by the fourth quarter of 2020. The overall project construction work is progressing ahead of schedule. The Fujairah Business Centre will have a total built-up area of 96,400 square metres and will comprise two towers, including a 19-level plus roof Office Tower and a 19-level plus roof hotel with 228 rooms and suites as well as 79 furnished apartments operated by a leading hotel group. The business centre will also include a G+2 level shopping mall and retail area coupled with parking space to accommodate over 670 vehicles.

Khalid Bin Kalban, Managing Director and CEO of Dubai Investments and Chairman of Al Taif Investment, said: "The Fujairah Business Centre by Al Taif Investment is an iconic project which aims to capitalize on the investment potential and business opportunities that Fujairah offers. The project will set benchmarks in urban development in the Emirate and act as a growth catalyst for creating robust opportunities for commerce and entrepreneurship."

The project has been planned in line with the market requirements in Fujairah and aims to create a vibrant destination that will not only address the lifestyle needs of modern retail, entertainment and hospitality in the Emirate, but also connect them to their Arab heritage through its attractions.

The project will be served through a district cooling plant for the cooling needs of the development, enabling significant savings in comparison to the power consumption through conventional air cooled chillers.

Al Taif Investment had earlier signed an Dh325 million financing agreement with Al Hilal Bank, a UAE-based progressive Islamic Bank, for the project. China State Construction Engineering Corporation Middle East is the project construction contractor and Dewan Architects and Engineers is the consultant.

Al Taif Investment, launched in 2007, invests in real estate and industry ventures locally and internationally to develop a strong investment portfolio. Dubai Investments owns 60 per cent stake in Al Taif Investment, while the remaining 40 per cent is held by FIE. ■

Arada launches Bareem at Nasma

Sharjah-based master developer Arada is launching Phase 4 of Nasma Residences, following exceptional sales in the project's earlier phases.

The release of 302 units in Phase 4 will also include the launch of the Bareem Townhouses, a stylish collection of two- and three-bedroom homes created for couples and young families.

Featuring a clean, modernist design that makes the best use of available space, the Bareem Townhouses are priced extremely competitively, in line with Arada's commitment to provide impeccably built homes at a price point that is accessible for everyone.

Also available in Phase 4, which is due to be handed over to owners by the end of 2019, are a select number of Arada's four- and five-bedroom Signature Villas. Work on Nasma Residences is progressing rapidly, with Phase 1 now 35 percent complete and on track to be delivered by the end of this year.

Mobilisation on Phase 2 took place earlier this year, and the main contract for Phase 3 construction is expected to be awarded in July. Infrastructure contract for Nasma Residences has been awarded to Darwish Engineering Emirates, and that work on the community's 6,500 square foot shopping centre has reached ground floor level, and is expected to be completed by the end of this year.

Sheikh Sultan bin Ahmed Al Qasimi, Chairman of Arada, said: "With only one more phase to come before Arada's first project, Nasma Residences, is completely sold out, we are expecting a significant response from investors and end-users. The Bareem Townhouses are an excellent addition to the homes on offer at this well-designed community."

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. In total, the project contains more than 800 homes.

Spread over an area of 5 million square feet Nasma Residences has been planned to ensure a balance between living areas and community facilities.

With homes ranging in size from 1,400 square feet to 4,400 square feet complemented by generous plots, there is an offering to suit every prospective homeowner. With homes starting from Dh899,000, it offers an opportunity for investors who want to buy in a lively new urban destination.

Dragon City's Dh169 million expansion underway

Construction of Nakheel's third expansion at Dragon City – an Dh169 million showroom and car park complex – has reached the 80 per cent mark, with completion due in the fourth quarter of 2018, the master developer announced.

Managed by Nakheel Malls, the retail arm of Nakheel, the 375,000 square foot complex comprises 118,000 square feet of ground floor showroom space – all of which has been leased – and a multi-storey car park for nearly 900 vehicles.

The new facility is the latest in Nakheel's ongoing retail, hospitality and residential expansion at Dragon City which will bring the overall size of the mixed-use development to 11 million square feet.

Dragon City is already home to the globally-famous Dragon Mart, the world's largest Chinese retail and trading hub outside China and its sister mall, Dragon Mart 2, which opened in 2015. Nakheel's first hotel – an ibis Styles with 251 rooms – opened at Dragon City in 2016 and a 304-room Premier Inn is under construction. Meanwhile, Nakheel's Dragon Towers, a twin-building residential development with 1,120 apartments, is set to break ground in the third quarter of this year.

Emaar starts works on Dh1bn Beach Vista

Bringing a Miami beach style living to Dubai, Emaar Beachfront delivers a new lifestyle choice that fulfils the aspirations of the discerning customers

Emaar Development has taken possession of the land for construction of Beach Vista residences in Emaar Beachfront, the private island destination in the Arabian Gulf. Site mobilisation and enabling work has commenced with the handover of homes scheduled for the third quarter of 2021.

Emaar launched the sale of Beach Vista earlier this year, recording sell-out response. All 375 residences were sold out recording total sales worth about Dh1 billion, underlining the strong investor confidence in Emaar's development competencies and the appeal of Emaar Beachfront as a sought-after residential destination.

Ahmad Al Matrooshi, Managing Director of Emaar Properties, said: "Emaar Beachfront's first residential launch, Beach Vista has been an overwhelming success recording strong investor response from the UAE and international markets. We are now commencing the construction of Beach Vista residences highlighting our commitment to on-schedule delivery. We are working with the best-in-class contractors and consultants to deliver Beach Vista to the highest standards of design excellence and build quality."

The unique value propositions of Emaar Beachfront are the uninterrupted views of the Arabian Sea, The Palm Jumeirah, Dubai Marina and the Dubai skyline. Residents will have access to a private beach and a wide range of leisure and lifestyle attractions including F&B outlets, beachside play areas, retail pop-ups set along a promenade, and more. Bringing a Miami beach style living to Dubai, Emaar Beachfront delivers a new lifestyle choice that fulfils the aspirations of the discerning customers. The thoughtfully designed collection of Beach Vista homes is set in a twin-tower development of 33-storeys and 26-storeys. The homes have glass facades and bask in natural sunlight, and feature large balconies overlooking the sea. The homes have luxury finishes and fittings. In addition to residential facilities such as swimming pools, gyms and parking areas at the podium, there will also be several high-end retail outlets at the ground level. Emaar Beachfront offers direct access to Sheikh Zayed Road and Palm Jumeirah.

Following the successful launch of Beach Vista, Emaar earlier launched Sunrise Bay, a residential destination in Emaar Beachfront, which brings a refreshing dimension to resort-style living in Dubai. With their homes opening to views of the Dubai Marina and the beachfront, Sunrise Bay comprises a limited collection of 1, 2, 3 and 4-bedroom premium residences.

Tilal Al Ghaf seeks green credentials

Majid Al Futtaim, is setting ambitious sustainability targets for its new flagship Dubai community, Tilal Al Ghaf, with plans to become the first mixed-use development in the emirate to achieve a 'very good' rating under the BREEAM sustainability accreditation programme. Energy, water and waste are among key metrics measured to enhance the community's environmental, social and economic sustainability performance as per BREEAM's assessment.

Extensive on-site generation of solar power will be a key pillar of Tilal Al Ghaf's sustainability strategy. Majid Al Futtaim aims to produce 20 percent of the community's energy needs from renewable solar power, transferring surplus electricity to DEWA through the Shams Dubai initiative.

To achieve this, the upper-luxury villas and bungalows will offer rooftop solar panels as a standard feature, providing 45 percent of energy needs, along with solar hot water heating and top-notch air conditioning systems. In addition, solar panels will be offered as options on other single-family buildings, and installed on public buildings across the community. Public spaces will be lit by solar-powered streetlights and renewable energy will be deployed to reduce energy consumption.


Rove Hotels to operate Rove Hotel at the La Mer beach in Dubai

Rove Hotels to operate in La Mer

Rove Hotels, the contemporary midscale hotel brand, has announced Rove La Mer located in the heart of La Mer, Dubai's world-class beachfront. Set by the Arabian Gulf and with spectacular views of the city skyline, the 366-room Rove La Mer marks the newest addition to the growing portfolio of Rove Hotels properties in the UAE.

Rove La Mer stands out for its central location at La Mer, a destination created by Meraas that benefits from a minimalist and contemporary design. Stretching into the ocean in the Jumeirah 1 neighbourhood, La Mer offers an inspiring lifestyle and leisure environment surrounded by 2.5 kilometres of relaxing sandy beaches. In close proximity to Etihad Museum and Dubai Water Canal, La Mer features a wide array of dining, shopping, leisure and entertainment choices, and is already one of the go-to attractions in the city.

La Mer, which opened in October 2017, comprises over 100 shops, cafés, restaurants, and beach activities. The central Laguna area includes a waterpark with a surf park that is a first-of-its kind in the region. The destination spans a total of 13.4 million square feet between Pearl Jumeira and Jumeira Bay with a new cinema and additional retail and dining space planned.

Designed for the value-conscious modern travellers who seek reliable, modern and fuss-free hospitality service in a tech-driven environment, Rove Hotels are developed as a joint venture between Meraas and Emaar Properties.

Olivier Harnisch, Chief Executive Officer of Emaar Hospitality Group, said: "La Mer is an ideal fit to the brand values that Rove Hotels celebrates, with a focus on offering exceptional lifestyle experiences in a trendy environment. The positive buzz of La Mer and the popularity it has gained among the young and young at heart make Rove La Mer Resort ideally positioned to meet the needs of the new generation of travellers who explore without boundaries and seek culturally inspiring experiences."

Designed for the value-conscious modern travellers who seek reliable, modern and fuss-free hospitality service in a tech-driven environment, Rove Hotels are developed as a joint venture between Meraas and Emaar Properties.

Marriott to operate Yas Island hotel

Aldar Properties has appointed Marriott International, to manage one of its most strategically located hotels on Yas Island, as part of its active asset management strategy for its Dh20 billion real estate portfolio.

Effective July 1, 2018, Marriott International will assume operation of the Yas Island hotel, which will go through a refurbishment period before opening under W Hotels – marking the debut of the brand in Abu Dhabi. Areas across the hotel will be redesigned as per W Hotels' brand standards.

The hotel which overlooks the Formula 1 Abu Dhabi Grand Prix race track is a key component of Aldar's Yas Island destination. The island is set to welcome Warner Bros. World Abu Dhabi next month, building on the existing leisure attractions and driving more tourists to the destination, where Aldar has a portfolio of seven hotels.

Abu Dhabi's media and entertainment free zone is also relocating to Yas Island and has appointed Aldar as its real estate partner. The first phase of the new free zone is valued at Dh1 billion and is set to grow with a target of attracting 10,000 professionals. This will form part of the Dh12 billion Yas Bay master development, which also comprises a waterfront and entertainment district and an urban community.

Dh135 m PII of Millennium Residences launched

Dubai-based Binghatti Developers has launched the second Phase of its Dh400 million waterfront project Millennium Binghatti Residences, along with attractive discounts and special payment plans.

Following the tremendous success of Millennium Binghatti Residences' first sales phase, Binghatti Developers decided to launch the second sales phase of the waterfront project which is valued at Dh135 million.

Inspired from the Millennium Hotels and Resorts and consisting of 230 units including Studio, one-Bedroom and two-Bedroom apartments, this 29-story waterfront project is currently being constructed by Dubai's Water Canal in Business Bay and is expected to be completed by the fourth quarter of 2019.

The tower's design is a unique and modern reinterpretation of traditional ideas that are still relevant to the regional culture and climate. With a fresh take on historical ideas, Millennium Binghatti Residences is a rare example of the Arabic architecture that has often been overlooked in the pursuit of authentic modernism in Dubai. The building sits directly on the Dubai Water Canal waterfront at Business Bay, which allows it to offer direct views of the iconic Dubai Skyline and Burj Khalifa. ■

Steve Morgan with Mark Ridley following Savills acquisition of Cluttons Middle East

Savills acquires Cluttons Middle East

International real estate advisor Savills has acquired Cluttons Middle East, a leading real estate consultancy business in the Gulf region.

"The business employs 190 staff in seven locations throughout the Gulf region, providing agency, management and consultancy advice in both the Commercial and Residential sectors. The deal, which was completed on 31 May will see Savills take full ownership of Cluttons Middle East, a brand which has been established in the region for more than 40 years," a statement said.

The business will be rebranded Savills during 2018. Cluttons Middle East's 190 strong team will transfer to Savills global platform with immediate effect. The full retention of Cluttons Middle East leadership team and employees will ensure clients not only continue to benefit from the same regional expertise but also benefit from Savills global platform.

The region has been a strategic target for Savills, and the acquisition sees Savills establish its first wholly owned business in the Middle East. This new Savills business in the Middle East provides a vital bridge between Savills expanding European business and its established Asian operation. Savills has developed some strong relationships with its associates in the region over many years and while the formal associations will come to an end, the firm expects to continue cooperating with its former partners in the future.

Mark Ridley, Savills Deputy Group Chief Executive, says: "The Middle East region is key to the global economy and its continued economic development, increased government investment and a young population will continue to accelerate its significance.

"With a market leading position, and strong local leadership, we will be able to offer a high quality service to both existing and new clients as we look to expand our platform of services."

With offices across the UAE, Bahrain, Egypt, Oman and Saudi Arabia, Cluttons Middle East is the most established Real Estate Advisory business in the region, servicing a large portfolio of clients ranging from international corporate and institutional investors, to private individuals and families.

Steven Morgan, Chief Executive at Cluttons Middle East, comments: "Despite economic headwinds across the region in recent years, Cluttons Middle East has grown from strength to strength and Savills acquisition is testament to our current position in the market. This acquisition by Savills is an incredibly positive and exciting opportunity for all Cluttons Middle East clients and employees as it will merge our regional expertise with Savills global capabilities." ■

ADFD pumps in Dh11 b in Ethiopia

Ethiopian economy is undergoing recession and the support from Abu Dhabi will help the country's economy to come back

Abu Dhabi Fund for Development (ADFD), the leading national entity for development aid, said, it allocated an Dh11 billion (US$3 billion) economic aid package to the Ethiopian government to support sustainable socio-economic development in that country.

The purpose of the funding is twofold. ADFD deposited an amount of Dh3.7 billion ($1 billion) in the National Bank of Ethiopia to bolster the country's fiscal and monetary policy, as well as to enhance the liquidity and foreign exchange reserves of its central bank. The remaining Dh7.3 billion ($2 billion) seeks to stimulate the Ethiopian economy and encourage joint investments.

Mohammed Saif Al Suwaidi, Director General of ADFD, and Teklewold Atnafu, Governor of the National Bank of Ethiopia, signed a memorandum of understanding (MoU) outlining the terms of the funding in Addis Ababa, the capital of Ethiopia. The signing ceremony was held on the sidelines of the official visit of His Highness Sheikh Mohammed bin Zayed Al Nahyan, Crown Prince of Abu Dhabi and Deputy Supreme Commander of the UAE Armed Forces, to Ethiopia. Government officials and senior representatives of the two entities also attended the signing ceremony.

Mohammed Saif Al Suwaidi said: "ADFD contributes to the UAE's efforts to assist developing countries in achieving sustainable development and improving socio-economic conditions.

"In addition to helping Ethiopia overcome the challenges it faces, the funding will encourage the UAE private sector to enter the Ethiopian market and benefit from the investment opportunities it offers."

Furthermore, Mohammed Saif Al Suwaidi noted that the funding will boost the country's gross national income and revitalise key strategic sectors.

ADFD's contribution to the development of Ethiopia dates back to 2012. Since then, the Fund has disbursed Dh36.7 million ($10 million) towards financing the Gedo Fincha-Limlem Peria Road project. The operational 80 kilometres road serves the Oromia Region in the west of the Ethiopian Highlands, facilitating the movement of vehicles and reducing transportation costs.

Since its inception in 1971, ADFD has financed development projects valued at Dh80 billion in 88 countries around the world. The Fund focuses on projects that enhance key sectors including renewable energy, transport, infrastructure, agriculture, mining, industry, health care, social services, housing, water and electricity.

ADFD is an organisation owned by the Abu Dhabi government. ■

ADFD powers Uganda with Dh40m loan

Abu Dhabi Fund for Development, the leading national entity for development aid, has approved an Dh40 million concessionary loan for the development of a rural electrification project in Kalongo in Uganda.

Aimed at electrifying homes, schools, healthcare centres, offices, industrial and agricultural establishments, the project seeks to help the government achieve its objective of meeting the rural electricity demand that currently stands at less than seven per cent to 26 per cent by 2022. Set to benefit 20,634 consumers over the next 10 years, the rural electrification project is anticipated to improve the living standards of the rural population and minimise migration to cities.

The 33kV rural electrification project involves civil and electrical works for the installation of a 139-kilometre transmission line, as well as 88 distribution stations and 415 volts' distribution lines on a 167-kilometre stretch that will bring electricity to about 2,000 consumers. The project supports the development of small industries, workshops and agricultural units in Uganda, while curbing the over-exploitation of vegetation as a source of energy.

Since 1977, the Fund has extended Dh79 million in loans and government grants. ■

Se7en City P1 sold out

UAE property developer Seven Tides said, it has sold 661 apartments, valued at Dh301,863,775 million since the sales launch of its first mixed-use development in Jumeirah Lakes Towers (JLT), in Dubai, Se7en City JLT, on Thursday 24th May 2018.

"To sell out phase one of our project in less than one week is remarkable and due to that success, we are now launching phase two of the project," said Abdulla Bin Sulayem, CEO of Seven Tides.

"We are offering excellent value at a competitive price point. In addition, we offer a very attractive easy payment option consisting of a 5 percent deposit, followed by payments equal to 6 percent of the cost price to be paid every subsequent quarter, with a completion date of Q3 2021. We estimate that studios should yield 12 percent per annum.

Studio units proved to be most popular with 572 sales valued at Dh226,844,420, followed by one-bedroom units which recorded sales worth Dh51,335,958 and sales of two and three-bedroom units were worth Dh236,833, 970.

Indian investors have bought 17 percent of the units sold so far; UAE and Pakistani investors purchased 7 percent each; followed by British, Russian, Saudi and Canadian nationals, acquiring 6.8 percent, 6.1 percent, 5.1 percent and 4.7 percent respectively. ■

CSCEC bags Dh72m Damac contract

Damac Properties has awarded China State Construction Engineering Corporation (CSCEC) with an Dh72 million construction contract for major road and infrastructure work at Akoya Oxygen. This latest contract brings total construction spend to over Dh5.6 billion since its inception, as Damac continues development at its 55 million square-foot community, and looks to start deliveries end of this year.

"This latest contract award to CSCEC will see major road and infrastructure work being carried out at three clusters within Akoya Oxygen, providing access and services to support 1,623 villas," said Ali Sajwani, General Manager of Operations at Damac Properties. "We are pleased to further strengthen our relationship with CSCEC, as we accelerate development in almost every part of our largest master community which will start to welcome its first residents at the end of 2018."

> **1,623**
> **villas will be accessible with the infrastructure works**

CSCEC will carry out major work at Victoria, Avencia and Amargo clusters which consist of 1,623 villas, and was awarded the work based on a competitive bid, as one of the world's largest multidisciplinary companies in the field of civil and industrial engineering, and the leading contractor in the Middle East.

Damac recently awarded a major contract to Arabtec to build 916 villas at Akoya Oxygen in March 2018, and in August 2017, Arabtec was also chosen to build 1,296 villas.

Located off the Umm Suqeim Road extension and approximately 15 minutes from Damac Hills, Akoya Oxygen will offer residents a serene, family-friendly community surrounded by beautiful landscaping and cascading water features. It features homes made up of energy efficient materials, controls and systems, amidst a green and secluded setting.

With access to an 18-hole golf course, Akoya Oxygen will also offer residents with state-of-the-art amenities such as luxury shopping arcades, five-star hotel and suites, an organic market, among others. The community will also include conveniences such as mosques, clinics, schools, nurseries, and restaurants. ■

Al Habbai to build Dh500m RSG hotel

Dubai-based developer Raj Sahani Group (RSG), has awarded a Dh500 million contract to Al Habbai Contracting to build Sabah Rotana – a 54-storeyed hotel and serviced apartment complex.

Located on Sheikh Zayed Road, it lies in the prime neighbourhood of Sufouh Gardens and presents a striking vista of the Burj Khalifa and Palm Jumeirah. The hotel is a premium property that rises to 54-floors and is perfectly poised to offer a bird's eye view of the breathtaking Dubai skyline and its main attractions. To be launched before Expo 2020, the 5-star hotel and hotel apartments has been projected to be completed in 2.5 years.

"The main contractor Al Habbai Contracting was chosen from a competent list of contracting firms who bid for the project. They have a proven track record of excellence and commitment, that tipped the scales in their favour over other competitors," the company said in a statement.

"The project is a marked departure from the standard architectural designs. The asymmetrical balconies, pointed tapered sides add a layered dimension to the building that both inspires and challenges the developer. Al Habbai Contracting shares RSG's enthusiasm in creating a structure that is a visual masterpiece and reflects the innovative spirit of the firm."

As per the contract, the main contractor will completely focus on the construction of this massive landmark project 'Sabah Rotana', aligning with RSG's core principles of quality and timely delivery of projects.

Sabah Rotana is a collaboration between RSG and Rotana, one of the leading hotel management companies in the region with hotels across the Middle East, Africa and Turkey. The tower encompasses 5-star rooms, serviced hotel apartments, food and beverage outlets, nightclubs and meeting rooms among other inclusions. The icing on the cake, however, is the opulent Sky bar where the guests can enjoy an evening with a spectacular view of resplendent Dubai.

Raj Sahni, Founder and Chairman of RSG, commented, "The road was long, and it was tough to finalize the main contractor that matched the same level of passion and commitment towards Sabah Rotana. In the end, the search yielded great results in the form of Al Habbai Contracting, whom we welcome to a long partnership with us. As evidenced by their past work, they have validated themselves as the perfect choice for the position. We strongly believe that the product of this collaboration befits the vision that we have for Sabah Rotana."

The project has already received pre-approval under the category rating of 5-star and Tourism property by the Department of Tourism and Commerce Marketing (DTCM). Combining ingenuity in architecture with superior services to ensure comfort and convenience, Sabah Rotana is well on its way to becoming an important landmark in Dubai's iconography.

Raj Sahni Group traces its origin in the 1970s in Kuwait starting off as a modest family business of automotive spare parts that later grew into a progressive organisation across sectors as diverse as automotive, real estate, industrial equipment, investments and property development.

RSG is headquartered in Dubai and has spanned across the Middle East, USA and South Asia. A diligent and sensitive approach to selecting the right business at the right place has been the formula for the group's success. ■

Azizi Star set for delivery by end 2018

Azizi Developments, a leading private real estate developer, said, it is on track to deliver its largest project in the upcoming development of Al Furjan – Azizi Star – by the end of 2018.

Consisting of a total of 458 units of studio, one-bedroom, two-bedroom, and penthouse apartments, Azizi Star is currently progressing rapidly with ongoing internal finishings and elevations on the external façade.

In the last three years, Azizi has delivered over 1,800 units across 12 projects in Al Furjan.

Al Furjan remains one of Dubai's fastest growing residential neighborhoods, with easy access to Ibn Battuta Mall, Jebel Ali Free Zone, and the Expo 2020 site. The new metro line named Route 2020 will link Al Furjan to Discovery Gardens and will service the Al Maktoum International Airport.

A 528,531 square foot development, Azizi Star offers 310 studio units, 46 one-bedroom units, 86 two-bedroom units and 16 penthouses as well as 9,500 square feet of retail space. Azizi Star is part of a larger portfolio of developments that includes the French-inspired waterfront lifestyle project, Azizi Riviera in Meydan One and the mega mixed-use urban project, Azizi Victoria in MBR City – District 7, as well as other projects in Dubai Healthcare City, and Jebel Ali. ■

ECC bags Dh310m Nshama contract

Una Apartments at Nshama's Town Square development

Engineering Contracting Company LLC (ECC), a Dubai-based contractor, has been re-appointed to lead on the Dh310.57 million contract for the design and construction of the UNA apartments in Town Square Dubai by Nshama.

ECC holds a track record of delivering projects on time and has built a strong presence and solid reputation through its successful ventures and strategic partnerships in the market.

Fred Durie, CEO, Nshama: "Town Square Dubai sets the benchmark for future developments in Dubai and the region to appeal to the 'new' generation. Technology has changed the way we live and work and therefore communities need to have developments that meet the modern pace of life and work. ECC has a strong track-record in project development and we will draw on their strengths for UNA, the path-breaking co-living community that assures a 'live life at your price' value proposition."

Spanning over 90,350 square metres, UNA Apartments will require design and construction of two G+2P+9 storey buildings and is a mixed-use development with numerous retail areas on the ground floor. For a duration of 25 months, ECC will provide its dynamic engineering solutions to oversee and lead on the project's design and construction.

UNA Apartments is a lifestyle residential community that will feature numerous retail areas, 192 studios, and 764 one-bedroom apartments. The main consultant on the project is Al Wasl Al Jadeed Consultants.

Kareem Farah, CEO, ECC: "There are over 10,000 urban development projects underway* throughout the region with the UAE accounting for over half of the active projects across all segments compared to the rest of the region.

"With urban development accounting for a large proportion of the projects, there is a clear need for industry players to differentiate their offering and diversify to remain competitive in our challenging market."

According to a recent report from the Dubai Land Department (DLD), there is a clear shift in the market with developers focusing on new opportunities and finding niches in the market – such as co-working and co-living spaces – a prime example of which is the UNA Apartments project. UNA Apartments are for the fast-paced entrepreneurs and creative minds seeking a collaborative, sustainable, and urban hub providing a holistic living environment. ■

Nshama offers 10/90 payment plan

Town Square Dubai by Nshama has announced a new and attractive payment plan that will offer customers a 'live life at your price' value proposition.

Already a thriving neighbourhood, Town Square Dubai offers customers the opportunity to become part of one of Dubai's most sought-after and distinctive neighbourhoods offering attractive price-points that will appeal, especially, to middle income professionals. As part of the new payment plan, customers only have to make a 10 per cent down payment with the rest 90 per cent to be made only on handover.

The new 10/90 payment plan will add to the convenience of customers and ensure they can move into an 'owned home' lifestyle in a private, gated community with access to parks, cycling tracks, landscaped gardens and a vibrant boulevard.

The plan is applicable for purchases of the thoughtfully designed Safi, Zahra, Zahra Breeze, Hayat Boulevard, Jenna and Warda Apartments – all of which have a central position within the neighbourhood with easy access to a range of lifestyle amenities.

Nshama is in the process of handing over the first phase of Zahra Apartments with more deliveries scheduled in the coming months. ■

Dubai Hills Mall is going to be a major attractions for visitors

ALEC finishes 60% of Dubai Hills Mall

Dubai Hills Mall, the trendy new retail and lifestyle destination in Dubai Hills Estate, is coming to life with Emaar Development achieving new construction milestones.

Al Jaber LEGT Engineering & Contracting (ALEC), part of the Al Jaber Group, is the project's main contractor.

Dubai Hills Mall will also feature four major family entertainment and leisure centres including a cineplex, a 6,038 sqm hypermarket, seven anchor retail experience stores, and dedicated parking spaces for over 7,000 vehicles.

Dubai Hills Mall is centrally located in Dubai Hills Estate, one of the largest mega-developments by Emaar as a joint venture with Meraas. It is set in an area of over 11 million square metres (about the size of 1,550 football fields) and features an 18-hole golf course, the Dubai Hills Park, open green spaces and more.

7,000 car parking space for shoppers

With a workforce of about 5,000 on site, and more than 8.8 million manhours achieved already, about 60 per cent of the mall's structure has been completed. Emaar has also started the structural work of an 18-screen cineplex as well as the first glass skylight.

A unique attribute of the Dubai Hills Mall is its solar harvesting shading systems that are currently being put in place. Set to establish the mall as one of the most sustainable retail destinations, Emaar Development is fitting out car parking shades and the rooftop shades with a dual function – of assuring sun-cover as well as capturing solar energy with the power generated to be linked to the grid of the Dubai Electricity and Water Authority. The solar shading will generate 6.5 MW annually.

Offering 2 million square feet (about 46 acres or 42 football pitches) of gross leasable area, Dubai Hills Mall will have a diverse mix of about 650 retail and F&B attractions including 'fast fashion' outlets and trendy cafes. Other highlights of Dubai's upcoming new mall destination are four major family entertainment and leisure centres including an 18 screen cineplex, a 63,500 square feet hypermarket, numerous anchor retail experience stores, and dedicated parking spaces for over 7,000 vehicles. ■

Farnek bags FM contracts worth Dh157m

UAE-based facilities management company Farnek has been awarded new contracts worth over Dh157 million from several major organisations throughout Dubai and the UAE, including Dubai Airports, The Dubai Mall, RAKBANK, Emaar's new retail centre, Springs Souk, Abu Dhabi Municipality and the new residential community in Dubai South, MAG 5 Boulevard.

Farnek is mobilising 1,170 additional staff and highly skilled, specialist technicians, to manage a range of services including, Mechanical, Electrical and Plumbing (MEP), cleaning, waste management and security.

Farnek CEO, Markus Oberlin said: "These new account wins vindicate our business strategy. We endeavour to add value whenever and wherever we can, by being innovative and adopting the latest technology in a sustainable manner, to deliver our promise to our customers.

Farnek's newly signed contracts include a three-year agreement with The Dubai Mall for soft services across all aspects of the mall including Fashion Avenue and the Leisure and Entertainment areas. A total of 500 staff will be mobilised. Additionally, Farnek will also be providing facilities management services to Emaar's newly opened Springs Souk. ■

OPINION

European Union: United we stand!

CHRISTINE LAGARDE
Managing Director
International Monetary Fund

The EU and euro area are in the midst of difficult decisions about their future. Populist movements — from Brexit to the recent Italian elections — have called into question the value of European integration.

It has been 20 years since the creation of the euro, we know that the journey to integration dates back much further. The common currency capped a 50-year quest to tear down economic borders. Today, 19 of 28 European Union members are part of the euro area, and the euro is the world's second major reserve currency.

It has been an incredibly fruitful endeavour. The links between European nations have gone beyond what many imagined in the aftermath of the Second World War. European integration has raised standards of living across the continent. In the European Union, real GDP per person has increased 40 percent since the mid-1990s. This growth outpaces the expansion seen in the United States over the same period.

But that is only part of the story. In the run up to the adoption of the euro in 1999, we saw strong convergence in real income levels among the original euro area members. Interest rates began to converge even before the common currency was introduced.

As we now know, in some cases, these shifts contributed to excessive borrowing, unsustainable growth levels, and eventually, the euro area crisis.

Indeed, several of the countries hit hardest during the global financial and euro area crises saw their income growth fall significantly behind that of their peers. Many countries are only now recovering to pre-crisis levels.

So, it has been a complicated journey, full of difficult moments — but in each step, we have learned valuable lessons. The euro area is at its best when it is ambitious. Think of what has been created over the past decade.

The European Stability Mechanism and its predecessors worked with the IMF and provided over 250 billion euros in loans to the five countries hit hardest by the crisis, and now with the ESM, credible crisis-fighting resources are at the ready.

Time and again, Europe rose to meet the challenges it faced, and in the process undertook key institutional reforms. I believe there are three major areas where work is needed to enhance the euro area's resilience and secure its future.

Of course, progress will not be easy and it will take time to reach agreement on many thorny issues, but I want to outline each area briefly. I know these topics will be addressed in depth over the next two days.

Several of the countries hit hardest during the global financial and euro area crises saw their income growth fall significantly behind that of their peers. Many countries are only now recovering to pre-crisis levels...

First, the Banking Union should be completed with an adequate backstop for a Single Resolution. This is important because ultimately, with the proper safeguards, it makes good economic sense to insure credit risks across member countries. This kind of insurance can help weaken the "sovereign-bank doom loop" that was at the heart of much of the crisis.

Second, the euro area needs truly integrated financial and capital markets that allow companies to raise financing across borders more easily and support investment.

Third, the euro area can take steps to introduce greater fiscal risk-sharing while reducing underlying fiscal risks. During the last crisis, there was an overreliance on monetary policy. Simply put, the euro area should not repeat the mistakes of the past. Greater risk-sharing combined with larger national buffers would allow countries to avoid having to raise taxes and cut spending when the next downturn comes.

Every country has a responsibility to comply with common fiscal rules and reduce public debt in places where it is too high.

All of these reforms can make a difference, but they are only part of the solution. More fiscal integration and true banking and capital markets unions will not address the structural weaknesses holding back growth in many countries. Policymakers must continue the difficult work of making their own economies more resilient and productive by implementing structural reforms.

This moment — with solid growth and steadily declining unemployment across the euro area — is the time to tackle the tough challenges.

There is no doubt that securing the euro area for the next twenty years will take patience, creative thinking, and increased cooperation. But this has always been the case.

Bringing countries together under difficult circumstances has been the mission of the euro area since its creation. To be truly effective, the euro area cannot just be a union of convenience in calm waters. It needs to be a strong shield amidst storms.That should be the objective going forward. ■

Debtly uncertainity

The world economy is currently witnessing a strong upswing and a broad-based acceleration not seen since the global financial crisis. Yet, as the IMF warned back in April, there were risks looming on the horizon that could derail this recovery.

Some of these risks are now closer than we had anticipated, injecting new urgency on policy actions to sustain the momentum and resilience of the global economy.

The global economy has gained momentum, driven by stronger investment, a rebound in trade, and favourable financial conditions. The recovery is also broad-based: 120 countries saw stronger growth last year, accounting for three-quarter of world GDP. Our latest forecast in April therefore projected the global economy to grow by 3.9 percent in 2018 and 2019 – 0.2 percent higher than our forecast last October. This acceleration is driven by both advanced countries and emerging and developing economies.

Advanced economies are projected to grow above medium-term potential this year and next. In the United States, which is already at full employment, expansionary fiscal policy will boost growth further to 2.9 percent this year and 2.7 percent in 2019. Japan's economy is also growing, despite a soft patch earlier in the year. And emerging Asia will continue grow strongly, at about 6.5 percent in both 2018 and 2019 – led by China and India.

Challenges, however, remain in other emerging and developing countries, including in sub-Saharan Africa and the Middle East, even as commodity exporters experience a modest upswing.

Global debt – both public and private – has reached at an all-time peak of US$164 trillion. This is equivalent to 225 percent of global GDP. Global debt is now 40 percent higher than its level in 2007, when it stood at about US$116 trillion.

– Misuhiro Furusawa

So, the overall picture for the global economy is bright – for now. But there are risks and uncertainties clouding the horizon.

For one thing, the momentum projected for 2018 and 2019 is temporary. It is expected to fade as fiscal stimulus unwinds in countries such as the United States and China. It will also fade as interest rates rise and financial conditions tighten with monetary policy normalization by major central banks.

Yet there are other vulnerabilities building up that can further threaten this momentum. I can see three such risks. The first is the risk of high debt. Based on the analysis in our April Fiscal Monitor, global debt – both public and private – has reached at an all-time peak of US$164 trillion. This is equivalent to 225 percent of global GDP.

Global debt is now 40 percent higher than its level in 2007, when it stood at about US$116 trillion. Private debt has been a major driver of this buildup, accounting for up two thirds of total debt.

Yet public debt dynamics are also worrisome, especially in advanced economies. At 105 percent of GDP, public debt is at levels not seen since the Second World War.

In emerging and middle-income economies as well, public debt has increased to levels seen only during the 1980s' debt crisis. Yet at almost 50 percent of GDP in 2017, this debt is projected to rise even further in coming years. And for many low-income countries, debt burdens will become unsustainable if recent trends continue. These high levels of debt are at the root of rising financial vulnerabilities – the second source of risk.

High debt burdens leave governments, companies and households more exposed to sudden tightening of financial conditions. Such potential shift could trigger market corrections, debt sustainability concerns, and capital flow reversals in emerging market economies.

The third risk – and one that is dominating the public debate – is that of protectionism and the rise of inward-looking policies. The prospect of trade restrictions and counter-restrictions threatens to undermine confidence and derail global growth permanently.

In Europe, political uncertainty about Brexit and policy complacency risk diverting attention from the steps needed to strengthen the institutional underpinnings of the currency union.

MISUHIRO FURUSAWA
Deputy Managing Director
International Monetary Fund

If we add to these risks the challenges from aging populations and weak productivity growth, we can see a rather sobering medium-term outlook – especially in advanced economies.

This means that these countries will not regain the per capita growth rates they experienced before the global financial crisis. Economic inequality, debt concerns, and political polarisation could get worse.

The bottom line is: there is momentum in the global economy, but risks and uncertainties to this momentum have risen. The window of opportunity may be narrowing. Policymakers need to act decisively to strengthen the resilience of the global economy and boost prospects for all.

What does this mean in practice? It means three priorities: build policy buffers, step up structural reforms, and steer clear of protectionism. Opening up service sectors can help boost productivity and long-run growth in many countries. We need to increase trade in services, where tariffs and barriers remain extremely high. This means that countries must steer away from protectionism. ■

OPINION

Asia's Sustained

TAO ZHANG
Deputy Managing Director, International Monetary Fund

There is a broad consensus that the short-term outlook for both the global economy and Asia remains strong. Most of you are familiar with our recent forecasts, which see 3.9 percent global growth this year and next.

But there is also an understanding that we continue to face risks — witness the uncertainty that hovered over some financial markets in recent weeks. This has once again raised the concerns about how Asia will respond to increased market volatility or even the next global downturn.

Of course, we have seen other moments like this in recent years as central banks have carefully moved down the path of monetary policy normalisation.

The Fund has had a clear message to Asia to deal with the uncertainties: we have consistently called on policymakers to rebuild monetary and fiscal buffers. We see this policy approach as essential for avoiding a sudden reversal of capital flows, for example.

Asian countries have certain defenses in place that heighten resilience, especially the increased reliance on flexible exchange rates. And overall, the region is better placed to resist shocks.

Nonetheless, some buffers have weakened. Let me now offer a few examples, starting with the less worrisome trends and moving toward those that might be of greater concern.

First, our metric for assessing reserve adequacy shows that Asia's reserve cover is down from immediately before the global crisis, but much higher than before the Asian crisis. Nonetheless, reserve adequacy remains at the upper end of the adequacy range and higher than in most regions.

Second, the average current account balance is a little lower than in 2007. But there have been worries about specific countries.

Third, external debt in Asia has substantially risen since 2007. And even before that, there was a significant increase in external debt after the Asian crisis.

Fourth, public debt has risen to 59 percent of the gross domestic product (GDP) from 46 percent in 2007. Fiscal balances also have worsened, with an average deficit today of 1.1 percent of GDP. They were in surplus in the earlier periods.

Finally, perhaps the most striking change since the global crisis has been the increase in corporate and household indebtedness.

Many of you know that our message to our global membership has been to “fix the roof while the sun shines.” For Asia, this means that policy makers should focus on increasing resilience by strengthening fiscal and monetary buffers, and employing macroprudential measures where necessary.

The bottom line is clear: there is still work to be done for Asia to have strong defenses.

For example, in India, only about 46 percent of male adults from the poorest quintile of the population have a formal account. That compares with 79 percent in the richest quintile. This disparity is even more pronounced when measured by use of mobile transactions (a fourfold difference), or borrowing from a financial institution (about a threefold difference).

Inflation in Asia

Here, I would like to touch upon a key element of a policy to strengthen buffers. This is constant vigilance about inflation.

As the central bankers today know only too well, the subdued price increases we have seen in recent years offer no reason to relax. There are unique forces at work that require extra attention.

So let's take a closer look at recent developments.

Our current Regional Economic Outlook for the Asia-Pacific analysed the inflation trends. We saw sharp price declines between 2012 and 2015, when disinflation was broad-based by various inflation measures. Inflation forecasts through 2017 stayed constant or were revised down.

But we now see headline inflation picking up in Australia, Japan, Korea, and some ASEAN-5 economies. That is in line with other advanced economies and emerging markets, reflecting, in part, the recent rise of commodity prices.

Our research has produced three main findings:

First, low inflation has been driven mainly by temporary forces, including imported inflation. Our estimates indicate that weaker import prices, including commodities, contributed to half of the undershooting of inflation targets in advanced Asia, and most of the undershooting in emerging Asia.

Second, the inflation process has become more backward-looking. Expectations are generally well anchored, especially in advanced Asia and economies with inflation-targeting frameworks. Still, the importance of expectations has declined in recent years, with past inflation playing a larger role.

Third, the sensitivity of inflation to slack in labour markets has declined. This is something we have also seen in other emerging mar-

Economic Success

ket countries outside of Asia. There seems to be a flattening of the Phillips Curve linked to integration in global value chains and automation. These factors weaken labor's bargaining power.

Looking ahead, our findings suggest that inflation may rise in Asia as commodity prices rise and low inflation in advanced economies reverses as monetary policy is normalized. Weaker regional currencies could also become a factor. On the other hand, it is not clear what the long-term impact of technological change will be on prices.

So, central banks should be vigilant about imported inflation, and exchange rate flexibility can help provide useful insulation. It will be important to strengthen monetary policy frameworks and improve central bank communications to increase the role of expectations in driving inflation — and keep those expectations anchored to targets.

Digital financial services have expanded recently in many countries, including electronic banking, mobile banking, and mobile money. We have seen notable growth in Bangladesh, Indonesia, and Mongolia. In Pacific island countries, geographical dispersion represents a major obstacle to providing financial services.

Financial Inclusion

Low inflation is generally thought to be good for low-income households. But there is another issue relevant to the poor that is relevant in assessing Asia economic prospects. That issue is financial inclusion — the final topic I would like to focus on today.

IMF research has shown that economies that reduce income inequality are positioned to achieve sustained levels of growth. So, targeted policy action to promote financial inclusion is essential to poverty reduction.

Financial inclusion also enhances the effectiveness of macroeconomic policies. Several studies show that financial inclusion strengthens the interest rate channel, making monetary policy a more effective tool.

Asia-Pacific countries have made considerable progress widening access to financial services and improving the quality of financial products available across populations.

Financial inclusion in Asia's emerging markets is in line with other regions. But Asia's low-income and developing countries actually show wider accessibility.

Nonetheless, the gaps are significant within countries — between rich and poor, urban and rural, men and women.

For example, in India, only about 46 percent of male adults from the poorest quintile of the population have a formal account. That compares with 79 percent in the richest quintile. This disparity is even more pronounced when measured by use of mobile transactions (a fourfold difference), or borrowing from a financial institution (about a threefold difference).

Gender disparities also remain significant, especially in South Asia. There, less than 40 percent of women have a bank account compared with nearly 60 percent for men.

Our research also shows a wider range of financial inclusion across Asian countries than within other regions. While some Asian countries are at the forefront of financial inclusion, others are only able to provide access to basic financial services. The largest disparity is in access to ATMs or formal banking services.

Digital financial services have expanded recently in many countries, including electronic banking, mobile banking, and mobile money. We have seen notable growth in Bangladesh, Indonesia, and Mongolia. In Pacific island countries, geographical dispersion represents a major obstacle to providing financial services. So it is notable that in Samoa, mobile products have proven popular.

Interestingly, mobile banking is one area where most Asia-Pacific countries lag sub-Saharan Africa. While Asia leads in traditional banking infrastructure, it is far behind Kenya, Uganda, Tanzania, and Zimbabwe in mobile transactions. In those countries, more than 70 percent of the population uses mobile banking services.

Clearly, there is enormous potential to deepen financial inclusion in the Asia. There are several steps that countries can take to address the issue:

First, strengthening such infrastructure as credit bureaus, asset registration, payment systems, and microfinance institutions would lower the costs of financial services. Second, countries need to allocate adequate resources to expand internet and mobile phone connectivity. Third, in some countries, liberalization of the telecommunications and internet industries would help bring down cost and improve services.

In conclusion, Asia needs a concerted effort to build policy buffers that can weather unexpected storms. It needs strong monetary policy frameworks and central bank communications efforts to respond and adjust to an uncertain global environment.

Finally, there must be an understanding of the obstacles to wider financial inclusion, and the ways that technological change can help make this inclusion possible. These issues are interlinked: the policies that address them can help make the Asia-Pacific region more secure as it builds upon an extraordinary legacy of economic success. But we simply cannot take that success for granted.

There will be many challenges in the coming years. Some can be anticipated, and some inevitably will take us by surprise. Our purpose must be to work to tackle them in a way that ensures strong, sustained and inclusive growth. ■

OPINION

Reforms to boost Dubai real estate

SAILESH JATANIA
Chief Executive Officer, Gemini Property Developers

It is a well-known fact that industries such as real estate and infrastructure are significantly influenced by Government decisions and policies.

The recent series of reforms announced by the UAE federal government authorities as well as local government bodies – including the landmark reforms to allow 100 percent foreign ownership in companies and a 10-year residency visa for investors and high-quality professionals – will go a long way in boosting investor confidence that will have a profound impact on the real estate market.

Additionally, various authorities' announcements to reduce fines and fees – including the latest decision by the Dubai World Trade Centre to cut companies' registration fees in free zones – will help smaller companies to survive and others to expand business.

The three-pronged stimulus programmes, undertaken by the authorities, will give a major fillip to real estate, construction, information technology, small and medium enterprises sectors. In addition, these bold measures along with the easing of liquidity through the Dh50 billion package announced by Abu Dhabi will help banking and manufacturing sectors while considerably easing pressure on business community.

The icing on the cake was the announcement on releasing Dh14 billion back into the economy stuck as deposits for labourers' employment and bank guarantees – in addition to the mandatory insurance scheme of Dh60 per worker.

These decisions could not have come at a more appropriate time, when high cost of living and higher cost of doing business had started to take its toll on the small and medium enterprises (SMEs) who are finding it increasingly difficult to manage the cash flow – or lack of it.

These reforms now set a very convenient environment for businesses. However, what is missing is the lack of credit – loans to SMEs. Small and cash-strapped businesses now need funding by banks – that will help them bounce back. The authorities and lenders could work together to gradually open up the liquidity tap for SMEs so that they could come out of the current situation.

> **Real estate transactions increased by Dh1 billion in May 2018, up from April 2018. If we take this as an indicator, then it looks like that investment is coming back to the market, slowly....**
>
> **– Sailesh Jatania**

In the real estate market, which is adequately regulated now, these decisions will have a very positive impact. The current low-price environment along with the new reforms announced by the government will help bring back home buyers and investors.

With market shifting towards affordable homes, we believe, the end-users are now gradually moving towards buying properties. As ticket size is reducing, a one-bedroom apartment is currently offered by some of the developers just under half a million and two-bedroom apartments at Dh650,000 to Dh800,000 bracket.

If finance is available more easily, – the market will pick up fast as it will encourage many families with regular income to buy homes either for their own use or rental purposes.

While Indians remain the biggest foreign investors in Dubai's real estate, money flowing in from China, Central Asia, Africa and the Middle East will drive the growth in the real estate sector going forward. With prices coming down further, they would see the higher return of 6-8 percent per year as a motivation for investing in Dubai's real estate.

Land and property transactions value declined to Dh57.9 billion in the first quarter of 2018, down from Dh81 billion recorded in the corresponding period last year. This is one of the steepest declines in transaction levels seen in recent years. However, on a month-to-month basis, real estate transactions increased by Dh1 billion in May 2018, up from April 2018.

Dubai recorded in excess of Dh17 billion worth of real estate transactions in May, based on figures published by the Dubai Land Department (DLD). The figure increased from around Dh16 billion in April.

If we take this as an indicator, then it looks like that investment is coming back to the market, slowly. However, we need to wait a few more months to see if this is a trend.

With an end to the Syrian and Yemeni conflict on sight and a resurgence of oil price, there are multiple reasons for all of us to be hopeful. Following the usual quiet summer months, we hope to see the light at the end of the tunnel. ■

How to Manage Debt Burden Ratio

DHIREN GUPTA
Managing Director
4C Mortgage Consultancy

Debt Burden Ratio (DBR) is crucial equation when one needs a loan from any financial institutions, as it helps to determine if the applicant can borrow money or obtain credit.

It is indeed essential digit which the banks use to screen loan applications and to judge the fitness of the buyer to settle up the amount, which is based on the current revenue or income and the debts ratio.

As per the UAE Central Bank regulations, the maximum DBR for anyone in the country cannot surpass more than 50 per cent. Moreover, the Banks carry out a stress test on applicants while calculating their debt burden in order to abolish the chances of overindebtedness during the repayment.

To identify if you qualify, the bank will consider DBR, which includes your credit report, monthly income and how much you can cumulate for the upfront payment. In UAE the banks use the customary standards for loan consent. To ascertain the loan requirement, the bank studies the 5Cs in common: collateral, capital, credit history, character, and the cash flow.

When one applies for a loan, the banks check the debt-to-burden ratio and based on it equation they calculate – how much applicants can borrow and how much actually entitled for. However, if the DBR exceeds 50 per cent of the monthly income financial institution will not be providing further facilities.

Bank expects every responsible customer affirm all the liability facts and disclose the credit cards owned by them. The credit cards are also taken into contemplation however they only underwrite 5 per cent towards the DBR based on the credit card limit. Today debt burden ratio is the main aspect that is taken into attention while the loan is applied for the mortgage, personal loan, Islamic financing, car loan or any type of loan.

Assessing DBR

It is simple to identify your debt to burden ratio. Identify outgoing regular debt which includes your car loan, existing mortgage repayment amount, student loan or any personal loan.

Take a notebook, calculate all the existing credit cards limits and then sum with 5 percent divide that equation with your monthly income- you can broadly identify your debt burden ratio.

Today in the credit report they identify your debt to burden ratio. One can request the copy of his/her credit report from the Al Etihad Credit Bureau by submitting some minimal fee along with the identification documents. In UAE, before lending compulsory, the bank checks the credit report credentials of every loan applications and consequently they identify the potential value of each case.

Credit reports summary assist every individual to understand their liability and take essential measures to fix the score from bad to good or average to good. For a broad idea of what your DBR might look like to banks, divide regular expenses by the total monthly gross income. Or use this: DBR equals to (personal or mortgage loan payment, car loan repayment, other liability payments plus 5 percent of total credit card limits)/monthly income, and the figure obtain will indicate your DBR ratio.

Reducing DBR

Once you have understood the debt burden ratio, you can start sinking it. There are different ways to maintain healthy DBR.

Trying to make regular or even balloon payments to your existing debt can be a great way to reduce the liability. In case, you have different types of debs, try to consolidate your debt, by obtaining the zero per cent balance transfer products.

Adding other part-time income source or a salary hike in your current or new employment, can add value to the financial basket, furthermore, it can also be a way to shrink the current debt burden ratio.

Once you start repaying the existing debt, understand that the debt to burden ratio will surge as a bigger portion of your income will clear off the current liabilities. For example – if the borrower's income stands at Dh18,000 per month and he/she is spending Dh6,000 towards debt repayment each month, the debt burden ratio is 30 percent.

If he/she can afford and can increase the total repayment spending to Dh9,000 each month, the ratio will increase to 50 per cent. Likewise, the DBR ratio will surge but eventually once the liabilities paid off, the ratio will pass down to zero per cent due to no accountabilities.

DBR is certainly essential financial equation for any borrowing henceforth calculate wisely if opting to buy credit card or applying for any loan. Always give the close watch to the EMI and repayment time and ensure you are able to repay smoothly without any extra burden.

Study the product and give a thought on comparing interest rate with lenders to make sure you end up with ideal product solution. Healthy DBR gives you the negotiation power with the lenders as well.

Likewise, retain good credit score and uphold 50 per cent less debt burden ratio if you plan to utilise some more credit facilities from the market, indeed all this contribute to your quick approval process and give access to the better product as per the requisite ■

Reforms to push up UAE economic growth

Gulf Property Exclusive

The UAE Government has recently announced a number of sweeping reforms including the abolishing of the Dh3,000 employee bank guarantee that will help businesses, consumers and will have a profound impact on the overall UAE economy, officials say.

The cabinet, chaired by His Highness Sheikh Mohammed bin Rashid Al Maktoum, Vice-President and Prime Minister of the UAE and Ruler of Dubai, adopted a number of strategic decisions with regards to foreign workers' insurance in the private sector, as well as a legislative package of visa facilitations.

According to the announcement, the previous mandatory employees' security deposit of Dh3,000 per worker is now replaced by a new insurance that cost only Dh60 annually per worker.

"The newly created scheme secures workers' rights in the private sector and reduces the burdens on employers. It allows businesses to recover approximately Dh14 billion, representing the value of current guarantees paid by employers, which will enable them to further invest in the development of their business. The system also enhances the ease of doing business in the UAE, which effectively contributes to market prosperity and growth," a government statement said.

The new system aims to achieve a wider coverage of the rights and entitlements for the workers. The value of the insurance policy in the new system is Dh60 per year for each worker and covers the workers' entitlements in terms of end of service benefits, vacation allowance, overtime allowance, unpaid wages, worker's return ticket and cases of work injury, in which the insurance coverage amounts to Dh20,000 per worker.

Once implemented, a business owner could recover the captive money held as deposit and use for running the business.

The cabinet also adopted a number of visa facilitations for visitors, residents, families and people overstaying their visa to cater for a wider segment of the society. The

Cabinet approved a new legislative package, including a review of the current residency system to allow a two-year extension of the residency period for the dependents of their parents after finishing their university studies.

Dubai Government's trade licensing body – the Department of Economic Development (DED) – said, it has exempted companies and business establishments in Dubai from all fines imposed on them and granted them time till end of 2018 to renew their licenses.

"The DED launched a package to make it further easier for businesses to clear fines and renew their licenses. The package will allow businesses to pay their fees and fines in easy instalments, freeze their trade license for a year and seek an amicable settlement with DED on commercial violations," it said in a statement issued on Saturday.

"The service package is part of enabling businesses to overcome obstacles and benefit from a credit facility that would allow them to maintain their competitiveness. DED had recently exempted companies and business establishments in Dubai from all fines imposed on them and granted them time till end of 2018 to renew their licenses."

The latest reforms, in addition to the Expo 2020, economic reforms, Abu Dhabi's $13.6 billion stimulus, and ADNOC's expansion could add about 1 percent to the UAE's non-oil real GDP growth in 2019, according to new research by Bank of America Merrill Lynch said structural reforms support potential growth through higher human capital, population, real estate demand and competitiveness.

Its MENA economist, Jean Michel Saliba, said that UAE non-hydrocarbon economic activity is likely to turn the corner in 2019.

"We estimate Expo 2020 projects, the boost to corporate profits from the revised worker insurance scheme, the Abu Dhabi fiscal stimulus and ADNOC downstream expansion plans could add about 1 percent to UAE real non-hydrocarbon real GDP growth next year.

"Still, reform details and implementation timeline need to be further fleshed out. Over the medium term, we expect UAE non-hydrocarbon real GDP growth to increase to about 3.5 percent, from 2.8 percent in 2018 and 1.9 percent in 2017," he added.

The Bank of Merrill Lynch also said that overall UAE real GDP growth is set to rise to 1.9 percent in 2018, from 0.5 percent in 2017, adding that the headline figure masks a likely stabilisation in hydrocarbon real GDP following a contraction in the oil sector in 2017 due to the OPEC deal.

The research also said that the recently announced foreign ownership law should boost foreign direct investment prospects from a low base, as FDI stood at just $10.3 billion (2.7 percent of GDP) in 2017, but the scope of deregulation is critical.

A new decision has also been approved to exempt transit passengers from all entry fees for the first 48 hours. Transit visa can be extended for up to 96 hours

for a fee of only Dh50. Obtaining transit visa will be facilitated by a number of express counter at the passport-control hall across UAE airports.

In the same context, the Cabinet adopted a decision to grant people overstaying their visa a chance to leave the country voluntarily without a 'no entry' passport stamp.

"These decisions could not have come at a more appropriate time, when high cost of living and higher cost of doing business had started to take its toll on the small and medium enterprises (SMEs) who are finding it increasingly difficult to manage the cash flow – or lack of it," said Sailesh Jatania, Chief Executive Officer of Gemini Property Developers.

"These reforms now set a very convenient environment for businesses. However, what is missing is the lack of credit – loans to SMEs. Small and cash-strapped businesses now need funding by banks – that will help them bounce back. The authorities and lenders could work together to gradually open up the liquidity tap for SMEs so that they could come out of the current situation.

Sailesh Jatania, Chief Executive Officer of Gemini Property Developers

"Additionally, various authorities' announcements to reduce fines and fees – including the latest decision by the Dubai World Trade Centre to cut companies' registration fees in free zones – will help smaller companies to survive and others to expand business.

"The three-pronged stimulus programmes, undertaken by the authorities, will give a major fillip to real estate, construction, information technology, small and medium enterprises sectors. In addition, these bold measures along with the easing of liq-

uidity through the Dh50 billion package announced by Abu Dhabi will help banking and manufacturing sectors while considerably easing pressure on business community."

A new 6-month visa will be introduced for job seekers who overstayed their visa but wish to work in the country. The temporary visa enhances the UAE's position as a land of opportunities and a destination for talents and professionals.

As for Individuals who entered the UAE illegally, they will have the chance to leave voluntarily with a 'no entry' stamp for two years given that they provide a valid return ticket.

Equally, in a step aimed at simplifying the process and easing the financial burden on individuals wishing to adjust or renew their visa, they can now do so for a fee without having to leave and re-enter the country.

On the other hand, the Cabinet adopted a resolution on empowering 'People of Determination' and enabling them to access the job market. The resolution provides them with the necessary support to obtain equal employment opportunities in various sectors in line with the Government's social development programs for all segments of the society.

In the same context, the Cabinet adopted the decision to host the headquarters of the Asian Paralympic Committee in the UAE to serve as a unique sports hub in Asia and to provide training courses and workshops for 'People of Determination'.

In the regulatory affairs, the UAE cabinet approved the amendment of the statutes of the Al Etihad Credit Bureau. It also adopted a draft law on the adoption of the unified final account for the fiscal year 2017, and approved an additional financial plan for the general budget of the Union for the fiscal year 2018.

The cabinet adopted an agreement between the Government of the UAE and the Government of the Russian Federation on the mutual exemption of visa requirements for citizens of the UAE and the citizens of the Russian Federation, thus opening new horizons for mutual tourism, investment and trade.

The cabinet also adopted an agreement between the Government of the United Arab Emirates and the International Exhibitions Bureau on the privileges and benefits accorded to official participants in Expo2020.

The Cabinet ratified two agreements on air transport services between the Government of the UAE and the Government The Republic of Guinea, and the Government of the Federation of Saint Kitts and Nevis.

The Cabinet endorsed a number of agreements on the mutual protection of investments between the Government of the UAE and the Government of the Republic of Rwanda, the Government of the Republic of Uganda and the Government of the Republic of Colombia. As well as the endorsement of conventions on the avoidance of double taxation and the prevention of financial evasion in respect of taxes on income and capital with the Government of the Kingdom of Saudi Arabia, the Government of the Republic of Rwanda, and the Government of Turkmenistan. ■

COVER**STORY**

Ras Al Khaimah gets Dh15bn investment

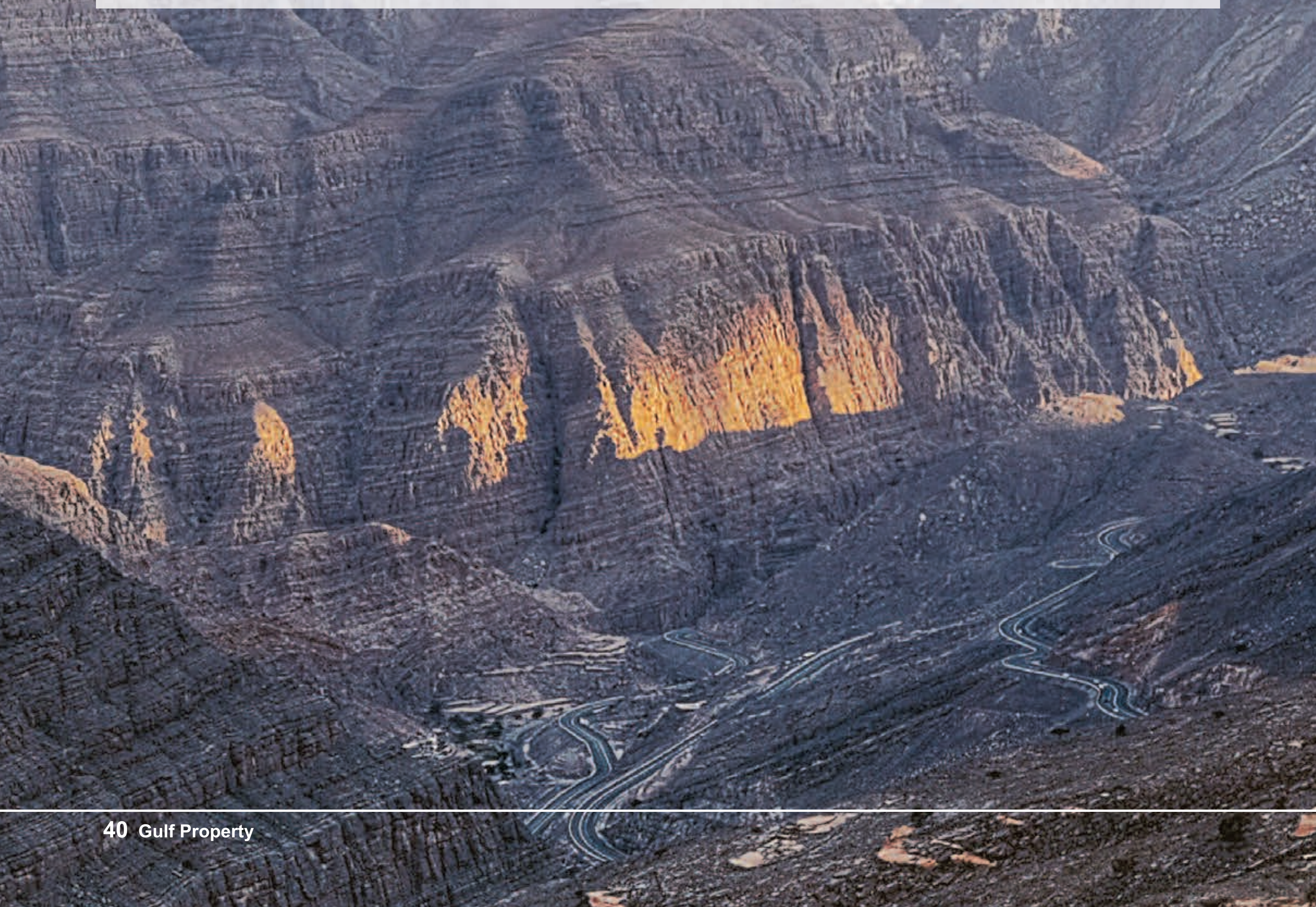
Gulf Property Exclusive

Ras Al Khaimah, the northernmost of the seven states that make up the United Arab Emirates (UAE), has attracted more than Dh15 billion ($4.1 billion) worth of investments mostly owned by foreigners – since 2000, His Highness Sheikh Sheikh Saud bin Saqr Al Qasimi, Member of the UAE Supreme Council and Ruler of Ras Al Khaimah, said.

Ras Al Khaimah, the last of the seven emirates to join the UAE federation, has a population of nearly 350,000 spread across 2,478 square kilometres landmass that generate around $11 billion (Dh41 billion) gross domestic product (GDP).

"In a relatively short period of time, Ras Al Khaimah has changed dramatically, from a quiet, agricultural town, where formal education was hard to come by, to a thriving city with a diverse economy and great educational institutions," His Highness Sheikh Sheikh Saud bin Saqr Al Qasimi, Member of the UAE Supreme Council and Ruler of Ras Al Khaimah, told delegates at a recent conference.

"Our emirate, our people, our economy and our industries have been on quite an incredible journey. In Ras Al Khaimah, if we can do



something positive for business, we do it. Ask any of the thousands of multinational companies from over 100 countries that have set up here," Sheikh Saud said. "Thanks to them, the volume of foreign investment in Ras Al Khaimah since 2000 has exceeded Dh15 billion, and there are more than 150 large industrial companies operating here."

The emirate, home to RAK Ceramics – the world's largest ceramic tiles manufacturer, and Julphar, one of the largest medicine producers in the Middle East – hosts more than 1,000 industries in a number of industrial areas managed by Ras Al Khaimah Economic Zone (RAKEZ).

The number of registered companies in Ras Al Khaimah has reached nearly 37,000, including 14,000 registered with RAKEZ.

As the emirate might not emerge as a major oil producer, RAK has instead had to concentrate on developing its non-oil and industrial sectors. It opened the UAE's first cement company in the early 1970s and is now the UAE's largest producer of cement.

The transformation of the economy of Ras Al Khaimah has largely been a vision-driven economic miracle where opportunities were created by the government's economic diversification programme and its ability to expand the infrastructure and legal reforms as well as creating an enabling environment for foreign investors to invest, produce and grow as well as create employment that creates domestic consumption demand.

It is perhaps the only state in the region that assembles automobiles – Ashok Leyland buses – and helps the UAE reduce its dependence on imported buses.

The Dh15 billion worth of investments attracted by Ras Al Khaimah include the 14,000 companies registered with its two free zones – Ras Al Khaimah Investment Authority and Ras Al Khaimah Free Trade Zone (RAKFTZ) – both merged into a new entity in 2017 – RAKEZ.

"RAKEZ is now a major economic powerhouse in the region and a major contributor to the economy of Ras Al Khaimah and the UAE. We now host 14,000 companies within our industrial clusters and business parks where more than 40,000 professionals, workers and business leaders work," Ramy Jallad, Group Chief Executive Officer of RAKEZ, tells Gulf Property in an exclusive interview.

"One of our key achievements was to be able to attract a large sum of investment into manufacturing sector that now contributes more than 26 percent to the gross domestic product (GDP) of Ras Al Khaimah.

"We are one of the most efficient and cost effective destination where doing business is as easy as 'plug

Jebel Jais mountain range is one of the best tourist spots in the UAE and the government of Ras Al Khaimah is undertaking a number of initiatives to boost tourism in the emirate

and play’,” he says, adding that a trade license takes a day to be issued.

“If all necessary papers are in order and submitted in time, an investor could get a trade license within a working day and an industrial license in 5-9 working days, depending on the sector that industry belongs.”

RAKEZ adds about 2,000 new companies in its registry every year and the number is going to accelerate in the coming months and years due to its aggressive marketing drive, as part of Vision 2030.

“One of the key reasons for our success is that we remain very cost-effective in business licensing, office space rents and other costs – compared to other free zones,” Jallad says. “In most cases, we are 25 to 50 percent cost effective in our fees and costs, that makes us one of the most sought after investment destinations in the region.

“The other important factor is our customer-centric approach. Instead of asking the investors to follow our packages, we also ask them to share their short-term and long-term business plans and we then offer customised solutions so that they could be more effective in terms of managing logistics, business, marketing and other aspects of the business.”

RAK Economy

The erstwhile quiet town of Ras Al Khaimah is about to undergo a sea change in economic activities as most government entities are gearing up to execute the emirate’s Vision 2030 – to transform its economy as a dynamic and vibrant investment destination.

Credit rating agency Moody’s Investors Service projected a stable outlook for Ras Al Khaimah, with the emirates’ economic growth expected to pick up gradually in the coming years and is fiscal position to remain strong in the years leading to 2021.

According to Moody’s, the ratings are supported by RAK’s “strong fiscal position, low debt level, and the advantages that RAK derives from its membership of the UAE, including low external risks”.

While Moody’s estimated that RAK’s economic growth slowed to 1.5 percent in

Al Marjan Island is currently attracting billions of dollars investment in hotels, real estate and tourism projects

2017, it believes that economic growth will accelerate to average about 2.5 percent between 2018 and 2021.

Additionally, Moody's expects a budget surplus of about 1.5 percent of GDP in 2018, up from 1 percent of GDP in 2017, a much weaker outturn than the 4 percent of GDP recorded in 2016. Between 2018 and 2021, Moody's expects fiscal surplus to average approximately 2 percent.

The Moody's outlook also noted that the implementation of value-added tax (VAT) will have a positive economic benefit for the emirate, with government revenues expected to increase to about 19 percent of GDP in 2018 from 17 percent the previous year. The report also noted that gross debt has been declining in absolute terms since 2013, and stands at an estimated 20 percent of GDP for 2018. By 2021, consolidated gross debt is expected to decline to about 17 per-cent of GDP.

Meanwhile, Ras Al Khaimah will continue to record fiscal surpluses and maintain its low debt level, according to another credit rating agency Standard and Poor's (S&P).

"We affirm our ratings on RAK at 'A/A-1'. The stable outlook reflects our expectation that RAK's economic performance will improve gradually over the period to 2021, supported by a recovery in domestic demand regionally and a high level of capital spending in the larger emirates," S&P said in January this year.

"The stable outlook reflects our assumption that RAK's economic growth will pick up gradually in the coming years and its fiscal position will remain strong over the period to 2021."

Manufacturing, including activities in the free trade zones, contributes 36 per cent to RAK's GDP, followed by wholesale and retail trade and the quarrying industry at nine per cent and eight per cent respectively.

In an exclusive interview with *Gulf Property*, Ramy Jallad, Group Chief Executive Officer of Ras Al Khaimah Economic Zone (RAKEZ), highlighted his thoughts on a number of issues. Excerpts:

Gulf Property: What is the current state of Ras Al Khaimah Economic Zone (RAKEZ)?

Ramy Jallad: Following our merger of Ras Al Khaimah Investment Authority (RAKIA) and Ras Al Khaimah Free Trade Zone (RAKFTZ) in April 2017, we have successfully transformed our organisation, streamlined our processes, back office integration and overall consolidation within a year.

RAKEZ now hosts roughly 14,000 businesses active in 50 economic sectors including 600 industries that employ 40,000 professionals contributing to the UAE economy. The 14,000 companies represent investment from more than 100 countries.

In April this year, we completed a year of the merged entity, RAKEZ. In a year, we have witnessed hectic activities in all our business centres – with renewed interest amongst investors – to invest with RAKEZ.

In its first year, RAKEZ successfully signed with Unikai Foods, one of the fastest growing consumer goods companies in the MENA region, to establish its largest food storage and distribution facility in the northern regions.

"RAKEZ is now a major economic powerhouse in the region and a major contributor to the economy of Ras Al Khaimah and the UAE. We now host 14,000 companies within our industrial clusters and business parks where more than 40,000 professionals, workers and business leaders work...."

– Ramy Jallad, Group CEO RAKEZ

Ramy Jallad, Group CEO, Ras Al Khaimah Economic Zone

Hesburger, the largest fast food chain in Finland and the Baltic states, established Hes Pro Foods FZE, its fast food manufacturing subsidiary. Bin Touq Fire and Safety Company will distribute its fire protection systems and fire alarm systems from RAKEZ; and Chocolala, the Estonian handmade chocolate company established a factory in RAKEZ to cater for occasions of all sorts.

RAKEZ also signed with Ginox UAE LLC, a company specialised in the manufacturing of construction metalwork and metal cutlery; Peikko Group Corporation, a leading supplier of concrete connections and composite structures, which acquired an 11,500 square metres industrial plot in the Al Hamra Industrial Zone; and Auto Bus Laser, a newly-established commercial vehicle parts manufacturer. With around Dh40 million in investments, Auto Bus Laser acquired a vast 20,100 square metres plot in the Al Ghail Industrial Zone to construct a state-of-the-art facility that will house the next generation of laser machines.

Since its establishment, a number of sectors and industries in RAKEZ have witnessed remarkable growth. The general trade sector has seen a remarkable 20 percent growth. Whereas, RAK's media companies have increased to reach 11 percent, with its most significant achievements being the entry of the RAK Radio Broadcasting Authority (RAK Radio) to its Media Zone in Al Hamra.

Could you elaborate on the new initiatives that you have taken recently?

As a business enabler, RAKEZ is now gearing itself up to realise Vision 2030 announced by Ras Al Khaimah government. We are now undertaking a number of initiatives that will boost investment in to Ras Al Khaimah and help accelerate the economic growth.

Some of our key initiatives include, revamping the media cluster – RAKEZ Media Zone – and create new opportunities for the media professionals. Similarly, we have created RAKEZ Academic Zone to seek greater investment in knowledge and education and we have seen a greater interest in our new free zone facilities.

In line with its ongoing interest in the educational sector, the RAKEZ Academic Zone succeeded in attracting elite universities, colleges and schools, such as the SBS Swiss Business School, which is dedicated to preparing students for global economy professions and to providing specialised programs in international management, finance and marketing among other areas. St. Mary Catholic Secondary School and the University of West London, which have the highest academic rating in the UK and are among the top British universities, have also joined the Zone.

The Sarhad University of Science and Information Technology, accredited by the Higher Education Committee of the Republic of Pakistan, provides education in the fields of engineering, pharmaceuticals, computer, management and social sciences in its RAKEZ branch.

In all these facilities, we are also creating room for freelance professionals who could work from a remote location with a freelance license – one way of offering customized solutions.

Earlier this year, RAKEZ also opened a service center in the Al Hamra area to provide all kinds of facilities and high-end customer services. Many governmental entities joined the Service Center, which provides customers with access to various services in one centralised place to streamline the efficiency and completion of government transactions.

The Department of Economic Development is among the governmental entities present, alongside the Department of Civil Defense, the Ras Al Khaimah Chamber of Commerce and Industry, the Ministry of Foreign Affairs, Ras Al Khaimah Courts, the Environmental Protection and Development Authority and the General Directorate of Residency and Foreigners Affairs.

RAKEZ launched Mazeed

Ramy Jallad

Ramy Jallad is the Group Chief Executive Officer of Ras Al Khaimah Economic Zone (RAKEZ). His role is to develop and drive the strategic growth creating a thriving commercial and industrial business hub that attracts and welcomes investors from all around the world.

Ramy Jallad has over 25 years of professional experience, where he has developed and led various commercial and industrial free zones, business parks and mixed-use real estate developments.

Previously, Ramy Jallad held various key leadership positions in both government and private enterprises, such as: Vice President – Free Zone & Properties for Abu Dhabi Airports Company, Executive Director of Business Development & Customer Services for Dubai Technology and Media Free Zone (TECOM), and General Manager of Caltex Oil Company.

He is fluent in English and Arabic. He holds a Bachelor of Science degree in Mechanical Engineering. He is also a Lead Assessor by the European Foundation for Quality Management and a certified trainer in sales, marketing, and customer care as well as people management. ■

Head offices of RAKEZ

Services, a unique service for its customers that aims to meet all their needs and requirements. It also singed with 'Sahtak', the new and unique healthcare e-portal to provide RAKEZ clients and their families with a range of cost-effective health insurance plans.

As part of our overseas marketing and business development, RAKEZ opened a new office in India at the strategically significant Bandra Kurla Complex in Mumbai, in order to strengthen our relationships with overseas customers. India is a very important market for RAKEZ with 20 percent of its operating entities in a wide range of Indian-based sectors, including manufacturing, trade, logistics, education, tourism, services and real estate.

Why did you merge RAKIA and RAKFTZ?
It was part of the government's strategic decision to create greater synergies from both the successful entities and benefit from their combined strength.

We now have combined team strength of about 500 professionals – who work as one team with a single purpose – to accelerate investment in to Ras Al Khaimah.

Following the merger, one could now see the benefits of our combined efforts.

Following the merger of the two entities, how are you restructuring the businesses in the free zones?

We have a land bank of 30 million square metres, spread across a number of industrial areas – including Al Hamra and Al Ghail industrial areas as well as other business parks and facilities. We are currently in the process of master-planning the industrial zones and business parks incorporating office space, industrial space, logistics park, labour accommodation with community facilities such as recreation, healthcare, retail and entertainment – offering integrated solutions to investors – where people can work, live and enjoy life.

We are currently working on a new development strategy that will incorporate all these concepts with a holistic approach. This new strategy is expected to be completed by the end of this year.

How much are you investing in development activities?

RAKEZ

Ras Al Khaimah Economic Zone (RAKEZ) is an authority established by the government of Ras Al Khaimah to oversee, regulate and consolidate the services, facilities and zones of Ras Al Khaimah Free Trade Zone (RAK FTZ) and Ras Al Khaimah Investment Authority (RAKIA), and serves their respective clients. Established in 2017, RAKEZ builds on 17 years of consistent value generation by RAK FTZ and RAKIA.

RAKEZ offers its clients easy access to local markets of the UAE, in addition to growing markets of the Middle East, North Africa, Europe, and South and Central Asia.

The authority offers free zone and non-free zone licences through RAK FTZ and RAKIA for companies operating in diverse industry sectors including, manufacturing, consulting, trading, logistics, academic, media and many more.

RAKEZ currently hosts over 14,000 companies from entrepreneurs and startups to SMEs and manufacturers covering over 50 industries from over 100 countries. Through its five specialised zones including RAKEZ Business Zone, Al Hamra Industrial Zone, Al Ghail Industrial Zone, Al Hulaila Industrial Zone and RAKEZ Academic Zone, it offers a wide range of customisable and cost-effective solutions for existing clients and potential investors. All clients have access to three local offices in Ras Al Khaimah, Dubai and Abu Dhabi, and international offices in India, Turkey and Germany.

A leading economic zone, RAKEZ, aims to continue attracting diversified investment opportunities that will contribute to the economic growth of the emirate of Ras Al Khaimah. ■

Our annual capital expenditure in developing and expanding capacity is about Dh300 million. However, the new development strategy will require greater investment in developing these facilities and we are talking in billions of dirhams.

How is RAKEZ different from other economic or free zones?

Although we have standard investment packages for small businesses, warehouses and industries, we also customise our offerings to investors, based on their needs. We have flexibility built-in our system.

However, the core difference is in trying to understand an investor's needs – both short term and long term. An investor might want to set up an industry eventually. However, he might want to start small – with just a small office to test the market. We work with the investor very closely and help him realise his plans in every steps all the way till he opens the industry.

Investors could set-up a company within one working day – if all the relevant documents are in place. An industrial license takes up to 9 working days if the investor could act fast on the choice of plot and other details.

Besides, we are a cost-effective free zone. An investor can save a lot – between 25-50 percent of the cost in setting up and running a business – that helps entrepreneurs to sustain a business at the initial stage after incorporation.

Could you give us the breakdown of the 14,000 active companies in RAKEZ based on sectors and nationalities of owners?

As we speak, RAKEZ is home to nearly 14,000 companies coming from different parts of the globe. Of the almost 14,000 clients in our portfolio, over 600 are from the industrial sector and the rest are SMEs.

In terms of nationality, the biggest investors are the Indians, with over 3,000 companies.

They are followed by the British investors, with 1,000 plus companies, and then by Pakistanis at nearly 750 companies.

Local investors or Emiratis are also ranks among the top 5 population with around 670 companies, followed by French investors with almost 630 companies.

Among other businessmen we have in our community are the Germans, Jordanians, Americans, Canadians, Russians, Italians, Dutch, Australians, and so much more. Our investors come from over 100 countries.

New waterfront projects are expected to attract massive investments into Ras Al Khaimah in the coming years

How many companies did your organisation attracted in 2017 and 2018 – so far?

In 2017, we managed to attract more than 3,250 companies. And for 2018, as of date, we have already registered almost 1,400 companies.

You are planning to revamp the media sector. Could you give us the latest restructuring of the RAKEZ Media Zone?

We have been very active in the media sector through RAK Media City – part of our free zones.

However, in view of the changing economic environment, we are in the process of revamping the media sector through RAKEZ Media Zone.

We are continuously enhancing the infrastructure of the RAKEZ Media Zone. In fact, we have just finished renovating the Media Zone building and we are still seeking new ways to improve the environment we provide to our clients within the zone.

We are glad to have welcomed our first broadcasting company recently, which is RAK Radio. The local radio company has set up their station in RAKEZ Media Zone where they installed state-of-the-art equipment that enabled them to broadcast from analogue to digital.

Our vision for the RAKEZ Media Zone is to build a vibrant community of creative firms and individuals that embraces B2B collaboration, seeking partnerships for the benefit of each other, and even to work together with our companies from other industries.

Perhaps, one of our industrial companies can work with a video production company for their corporate video or a service company in RAKEZ can hire one of our publishing companies in the Media Zone. The media community that we are creating just got more interesting actually, especially with the launch of our newest offering – the Freelancer Permit, which caters to media and education professionals.

So, creative companies that are just starting out can get access to our growing population of freelancers in the media field, such as journalists, photographers, actors, and so much more. There's a lot of potential for our clients and we are really

Ras Al Khaimah

Ras Al Khaimah, an erstwhile quiet agricultural settlement with more than 7,000 years of history, is a remarkable economic success story – that transformed itself into a vibrant industrial belt and an economic hub – in just quarter of a century, thanks to its visionary leadership.

With over 7,000 years of fascinating history and culture, Ras Al Khaimah is the perfect getaway from everyday life. Offering magnificent landscapes, breath-taking coastlines and rich, terracotta desert planes, the emirate has firmly established itself as the UAE's most authentic destination in the Middle East.

With year-long sunshine and 64 kilometres of white sandy beaches, just 45 minutes from the busy metropolis of Dubai, Ras Al Khaimah offers an entirely unique experience from its neighbouring emirates.

This agricultural society also relies on fisheries for their livelihood. More traditional industries, such as fishing and agriculture, continue to play an important role in RAK's economy. In 1955, the first agricultural research centre in the UAE was established there, and since then, innovative methods of arid zone cultivation have made the emirate one of the leading agricultural producers in the UAE.

At a very early age, Sheikh Saud bin Saqr Al Qassimi identified some of the natural resources such sand, clay feldspar, quartz and water – key components in manufacturing ceramics – to turn around the emirate's economy. So, in 1991, he established RAK Ceramics to manufacture ceramic tiles from the abundant natural resources and created the world's largest ceramic tiles brand and then started investing the surplus resources in developing industries and properties around Al Hamra area.

There have also been recent efforts to diversify the emirate's economy. Since Sheikh Saud bin Saqr Al Qasimi became crown prince in 2003, the emirate has embarked on an aggressive development programme, with a particular focus on tourism and real estate.

Capitalising on its virgin coastline and mountains, RAK has launched several mixed-use projects that will feature five-star hotels, residential units and resorts. Some of the more ambitious plans include a mountain resort with an artificial ski slope and a spaceport to host the Middle East's first suborbital flights. ■

determined to building a thriving community of media firms and professionals here in Ras Al Khaimah.

Could you elaborate on the freelance package?

Earlier this year, we rolled out the red carpet for the UAE's booming population of media and education freelancers with the introduction of its Freelancer Permit.

Leaving the usual 9-5 job takes a lot of courage and I admire individuals who choose to build their own path by becoming free agents. We launched the Freelancer Permit to help empower aspiring sole practitioners by opening them up to a world of opportunities while keeping their costs in check and offering them the support they need to succeed.

With the freelancer package starting from Dh8,990, RAKEZ proves to be among the leading cost-effective destinations for the nation's bold freelancers. The package, which is targeted to media and education professionals, includes a two-year UAE visa as well as access to a shared workstation and premium services in a one-stop shop.

With the current economic situation, where most trade licensing authorities are adjusting their fees and fines with the market conditions to help businesses ride out the economic hardship. Are you revising your fees downwards?

We constantly monitor the market situation and revise our fees and service charges as well as rents of office space accordingly.

Having said that, our prices and fees remain very competitive and attractive and we update them as and when needed. We do everything needed to support our clients – including allowing longer term payment, removal of fines, etc. ■

Meet Joseph Ghossoub 2.0

Gulf Property Exclusive

Joseph Ghossoub, who is famous for giving his clients the best possible publicity that money could buy and, at the height of his career, gave all the major advertising and publicity agencies in the Middle East a run for their money, has not spoken much about himself and his business – for a long time.

The 'Godfather of Advertising' – as he is more famously known to be – has also remained pretty quiet in the market – especially on his real estate venture, aptly named 'G&Co' that understandably stands for Ghossoub and Company.

Four years ago, when his company was building the Dh1.5 billion Millennium Estates, I asked him why he was not talking to the press, including *Gulf Property* magazine, he told me, "It's too early for me to talk about my projects when I have not yet delivered any of them. I will definitely speak when the time is right – that is when we start delivering properties."

It was then, I sensed a bit about his persona. The person who helped build brands and raised public profile of companies, products and services, does not want to take the advertisement route to promote his real estate venture.

When it comes to real estate project marketing, property developers usually start selling what is known as 'Artist's Impressions' of projects, the 3-D renderings that shows the square foot size of the kitchen, bedrooms, the living room, etc and the overall look and feel of the property that helps the buyer make a decision to purchase the off-plan property. It's like investing in 'papers' rather than the real home – which is usually built years later.

The developer then spends the investors' money in brand-building and construction of the project. Joseph Ghossoub developed his first major project, Millennium Estates mostly by the property buyers and investors' money.

The Millennium Estates were sold out in less than two months of the commercial launch.

He spent very little in branding, advertising and marketing exercise, as well as talking about the project. During the development phase of the project, his company focused on construction activities, rather than talking about them in the press.

> **"We entered the market under a different situation. We needed to establish ourselves as a credible developer. The only way to do this was to focus on the timely delivery of the project and with the promised quality. That's exactly what we did. Since the first project was sold out at launch, we were able to start the construction work and finish them in time as payment was not an issue..."**
>
> **– Joseph Ghossoub, Chairman of G&Co**

Four years later, his properties are now doing the talking for him. Here comes Joseph Ghossoub 2.0, the new innings in his career as a property developer.

I asked him, why he chose to speak to the press now. "Well, we have delivered what we promised and we have happy families living in the homes that we built. I feel, it's now appropriate for me to talk because what we promised is now a reality and it's visible. Feel free to come and check these homes to see for yourself what we have built and delivered, the quality, finishing, the designs and the amenities," Joseph Ghossoub, Chairman of G&Co, told *Gulf Property*.

"We delivered 200 villas at the Millennium Estates within Meydan City, worth Dh1.5 billion, a few years ago. This year, we are delivering 498 villas – that will raise the development value of the overall project to Dh4 billion, when completed this year," he said. "Most of the villas that we are planning to deliver this year, have been sold out."

In an exclusive interview *with Gulf Property*, Joseph Ghossoub, Chairman of G&Co, elaborates his

Joseph Ghossoub, Chairman of G&Co, which will deliver hundreds of homes to buyers in the next few years

thoughts on a number of issues relating to the real estate markets. Excerpts:

Gulf Property: Most developers are now facing problems in selling homes – and you do not seem to have any problems in selling. How's that?

Joseph Ghossoub: When we entered the real estate sector in 2013, we studied the market well.

The market was just recovering from the effects of the global financial crisis of 2008-09. So, we had to be very cautious in our approach.

We found out that despite a sizeable number of deliveries in the luxury villa segment, there was still a strong demand in this category. However, due to the fallout of the 2008-09 crisis, investors and property buyers were hesitant to invest, as they were not sure who to trust.

So, we entered the market under a different situation. We needed to establish ourselves as a credible developer. The only way to do this was to focus on the timely delivery of the project and with the promised quality. That's exactly what we did.

Since the first project was sold out at launch, we were able to start the construction work and finish them in time as payment was not an issue. Property buyers were regularly updated on the construction progress and the payment installments were in place – making it less stressful.

So, what worked for you in the initial sales success, despite not having a strong record of property development and delivery?

I think the location was a factor – as you can't get a better location for a villa community than Meydan – closest to the new downtown, Burj Khalifa and Business Bay, which is going to become the leading commercial centre.

The quality of property, pricing, payment plan and our own reputation in the business world worked for our success. Besides, the timing was also a factor. We sold out the project when the market was just recovering and emerging from the previous crisis and the Dubai Expo bid win revived investor confidence back then.

If you remember, the market was really riding high and a large number of developers came back to the market.

Most stalled and sick projects were revived while the regulatory regime was strengthened with solid investor protection mechanism in place – all worked well for property developers.

So, our timing was also very right – in entering the market. However, things started to slowdown from 2015-17. But we had made our mark by then.

What is your view on the current real estate market? Most indicators show a slowdown due to a sense of oversupply. How do you see the market?

Yes there are issues with regards to slight oversupply. Ups and downs are part of the economic cycle and the real estate sector is going through a phase now. But I do not see it as a real long-term problem. It's a short-term cyclical phase.

And I do not see any fundamental problem with the market in Dubai – the emirate has come out strongly after every crisis. There is a sense of an oversupply of homes in the market. The market has the capacity to absorb it eventually. However, the problem is outside – external factors – that affect the domestic market.

The Middle East region continues to have its share of the problems, in addition to sharing the burdens of the global issues – be it protectionist policies adopted by some of the leading economies, or the looming trade wars, oil price, geo-political tension including the problems in Iraq, Syria and Yemen.

All these affect investor confidence and we feel the reaction on ground. These are temporary phases and the market will soon recover and I feel it will bounce back next year.

Joseph Ghossoub

Joseph Ghossoub, a successful Lebanese businessman who made his fortune through advertising industry, is the CEO of the Holding Group, parent company of Team/Young and Rubicam, Intermarkets Advertising, ASDA'A Public Relations, Polaris Public Relations, mediaedge:cia, and Wunderman.

Prior to his real estate career, Joseph led one of the largest advertising and media groups in the Middle East, the Menacom Group, for more than 21 years before resigning as Chairman and CEO in 2015.

Under his leadership, Menacom grew into one of the Middle East's most successful communications groups, with over 900 employees in its network of 37 offices across the MENA markets.

Until 2008, Joseph served as Chairman and World President of the International Advertising Association. He is also a board member of the American University of Dubai.

He was decorated with Lebanon's highest civilian honour, a Knight of the Order of the Cedar, and the Vatican conferred on Joseph a Pontifical Order of Knighthood in recognition for serving communities across the Arab World. Recently, he obtained an honorary doctoral degree from the Lebanese American University for his contributions to the Business World in the Middle East. ■

What makes you say that?
Well there are definite signs of recovery already.

Oil price has bounced back to the US$70-$80 per barrel level, from trading below US$50 for three years. There is a renewed optimism of money coming back to the market and we can feel that.

Besides, the civil wars in Syria and Yemen are likely to be over by next year. I think all parties are trying to find a face-saving solution to end the conflicts. Once the wars end, reconstruction works will start and we are talking about massive re-development activities in Syria and Yemen.

Works in Egypt are moving ahead with new investments are creating jobs. We expect to see the same in Iraq, Syria and Yemen. The latest elections in Iraq and Lebanon will help the political uncertainties to end.

On top of these, the UAE and Saudi Arabian economy remains stable. Saudi Arabian Government has started to undertake massive projects that will help the economy to expand and offer better opportunities to Saudi nationals, create new jobs and new businesses.

We are perhaps at the last 1,000 metres of the long road of the regional strife in the GCC.

Besides, we are the bottom of the current economic cycle. The only way from here is up.

Despite the talks of growth, aren't we seeing a very slow growth?
Yes. Matured markets do not fluctuate too much. Growth and slowdown curves are not steep. The slower growth is the new normal and the market will adjust to the new reality.

Dubai's property market is now well regulated and matured. Like any matured markets, Dubai also needs to develop affordable homes for the middle income groups – who were initially priced out as the developers were racing against each other to deliver super-luxury homes. Do you feel the same?
Well, the market is definitely moving towards affordable homes, for sure. We all feel that. The ticket size is getting smaller.

We are also studying the affordable homes market. If the right properties at the right locations could be of-

fered to the end-users with the right prices and right payment plan, then we will soon see increased buying activities in the market.

How do you see the new announcements of allowing 10-year residency to expatriate businessmen, professionals, their families and students as well as the 100 percent foreign ownership of companies affecting the economy and the real estate market?
These are game-changing initiatives. These two announcements could not have come at a better time.

They will definitely have a deeper impact on the overall economy and the real estate market. Investors will feel more comfortable with the longer-term residency visas as they will now develop a sense of belonging to Dubai and make the city their home.

The 100 percent foreign ownership in companies will attract more foreign investment in to the UAE and that in turn will create more jobs. This means more professionals and their families moving in to the UAE – that will help push up the demand for homes, consumption and an overall expansion of the economy.

What is your advice to those who are yet to buy properties?
Dubai's property market is the best in the region with strong fundamentals.

The property developers are real, ready-to-move-in real homes are there. With 10-15 years' rental, you can easily purchase a home.

One has to muster courage in buying properties. If a family has a stable income and some disposable saving to cover the initial 25 percent payment, they should buy and move into their dream homes and save themselves from fluctuating rents.

From an investment point of view, Dubai's properties still offer one of the highest rental yields – ranging between 6-8 percent of the property value.

Which means the investment could be recovered in 12-13 years! So, if you buy properties in Dubai, you can't go wrong. ■

G&Co

Founded by Joseph Ghossoub in 2006, G&Co is a boutique real estate developer that aims to redefine the UAE real estate sector and play a key role in making communities more sustainable under its exclusive partnerships with Meydan Group and Bank of Sharjah.

By adopting a customer-centric approach, G&Co has quickly gained a reputation for quality, reliability and integrity.

G&Co delivered its first project the Dh1.5 billion Millennium Estates, located in the inner city of Meydan, MBR City, in the first quarter of 2016. The development boasts 198 luxury villas built over 3.8 million sqft of land. In 2018, the Dh2.65 billion Grand Views, a gated residential community located within the Millennium Estates was completed.

The Fields project, also located within MBR City, is scheduled for completion in 2019. Comprising three separate components, Jade, Viridian and Cassia, the development will offer over 1,000 townhouses and family villas. ■

Rizwan Sajan (Centre), Founder Chairman of Danube Group, flanked by Anis Sajan (3rd right), Managing Director of Danube Group and Atif Rahman (3rd left), Partner and Director of Danube Properties, in front of the model of Lawnz – Danube Properties' largest real estate project offering 1,032 residential units within a gated complex – that recorded 76 percent sell out of the Phase 1 in three days!

Danube sells Dh550m Lawnz's 76% in 3 days

Gulf Property
Staff Report

Danube Properties, a major Dubai-based real estate developer, once again defied industry trends by selling out 76 percent of the Phase I of the Dh550 million of the recently launched Lawnz project in just 3 days, the company said in a statement.

Property buyers and brokers were seen queueing up for tokens with long customer queue to book apartments reflects growing buyers' confidence in the developer based on credibility, project location, price and payment plan.

Danube Properties launched the Lawnz project with mouthwatering prices with studios starting from Dh290,000, one-bedroom apartments from Dh499,000 and two-bedroom apartments from Dh699,000 – some of the lowest prices of quality homes available in Dubai market.

"The huge response to Lawnz reflects the fact that there is no shortage of buyers for the right quality property to be built at the right location with the right pricing and the right payment plan," Rizwan Sajan, Founder Chairman of Danube Group, said. "Prices of a studio apartment at Lawnz starts at Dh290,000 – the lowest price for such a property that also comes with high-quality finishing kitchen appliances and bathroom amenities. This is unprecedented in the market.

"On top of that, our attractive and industry trend-setting 1 percent per month payment ensures the delivery of the property after payment of 51 percent – meaning that the customer could either move in to the apartment after paying 51 installments and save the rents to pay for the rest of the 49 installments. Or the property investor could repay the balance 49 installments from rental income – if the property is bought for investment purpose. This means that the buyer actually acquires the property after paying half the price of the property!"

Danube Properties has so far delivered 831 residential units in four projects worth Dh1.12 billion while the Dubai-based developer plans to deliver additional

Danube Group

Established in the year 1993, Danube Group was founded and cultivated under the leadership of Rizwan Sajan, who is the known to be the Founder and Chairman of the Group. Starting off as a small trading firm, the company is moving from strength-to-strength, expanding its foothold in the region, and has established itself as the No. 1 building Materials Company along with other branches under its vast umbrella. In 2015, the company recorded a turnover of Dh5.14 billion and has been growing ever since. Moreover, Rizwan Sajan was ranked 12th among the ‘Top 100 Indian leaders in the UAE’ List by Forbes Middle East.

The company provides more than 25,000 products in stock and in-house value added services in all of its multiple set of showrooms across the Middle East region and India. The company operates from its head offices in JAFZA with logistics facilities across the region which amounts to 5.5 million square feet and includes kiln drying facility, factory and warehouses of the group.

From a small trading firm, Danube has grown into one of the largest building materials company in the region, with its diversified branches worldwide including UAE, Oman, Bahrain, Saudi Arabia, Qatar and India, in addition to procurement offices in China and Canada. Danube has a team of more than 1,800 people working across strategic locations across the GCC and India.

Danube Properties, part of the Danube Group, made its foray in to the real estate market in June 2014, by launching the Dh500 million 171 townhouses at Al Furjan. Since then, it continued to expand its development portfolio by launching Glitz Residence I, II, III, Starz, Glamz, Miraclz, Resortz, Bayz, Jewelz and Lawnz projects. The company currently has a development portfolio of 4,744 units, with a combined value exceeding Dh3.69 billion.

Danube Projects	Property Units	Sales Value	Status
Dreamz	171 Townhouses	Dh500 million	Delivered
Glitz Residence I	151 Units	Dh135 million	Delivered
Glitz Residence II	151 Units	Dh135 million	Delivered
Glitz Residence III	358 Units	Dh350 million	Delivered
Starz Tower	454 Units	Dh300 million	Delivery in 2018
Glamz Residence	426 Units	Dh270 million	Delivery in 2018
Miraclz Tower	599 Units	Dh400 million	Under Construction
Resortz Tower	444 Units	Dh300 million	Under Construction
Bayz	463 Units	Dh450 million	Tendering Stage
Jewelz	463 Units	Dh300 million	Launched
Lawnz	1,064 Units	Dh550 million	Launched
Total 11 Projects	**4,744 Units**	**Dh3.70 billion**	**Development/Delivery**

880 units later this year. With the launch of the Lawnz, Danube Properties portfolio now exceeds US$1 billion involving 4,744 units in 11 projects.

The company had earlier completely discouraged wholesalers seeking to buy out blocks of apartments for re-selling, so that the end-users could benefit from the opportunities created by Danube Properties with the super attractive pricing in the market.

The Phase I of the project consists of 515 residential units. The project is equally divided into two phases.

Atif Rahman, Director and Partner of Danube Properties, says, “Ever since we started to tune in the market of the new project, our phones continued to ring from customers and brokers trying to understand the project. We have declined many requests from large investors to snap up part of the project and had decided to open the doors for the real property buyers who have been priced out by the high price in the market.

“Hundreds of property buyers lined up at our office to get appointment to buy the apartments. I am happy to announce that Lawnz has invoked unprecedented response that strengthened our self-belief in our ability to serve Dubai’s real estate market and property buyers in a bigger way. This demonstrates public trust in Danube Properties.

“Over the last four years, Danube Properties – with its customer-focused approached – has created a solid reputation in the market for delivering quality homes at affordable prices. Our customers who have moved into their dream homes offer solid testimonies of the good work put together by our team.

“Our attractive and industry trend-setting 1% per month payment ensures the delivery of the property after payment of 51% – meaning that the customer could either move in to the apartment after paying 51 installments and save the rents to pay for the rest of the 49 installments. Or the property investor could repay the balance 49 installments from rental income – if the property is bought for investment purpose. This means that the buyer actually acquires the property after paying half the price of the property!”

– Rizwan Sajan
Founder Chairman
Danube Group

"Lawnz reflects our focus on community living and our strong belief in customer happiness in line with the vision of the UAE's leadership to build a happy nation.

"The strong response of our project launched in the middle of summer season and after Ramadan, reflects the fact that Danube has defied the industry trend in a low season. Lawnz proved that buyers will continue to buy homes regardless of the timing. There is no bad timing for the launch of a good project."

Lawnz, Danube Properties' 11th project comprises of 1,032 units which will take its portfolio to 4,744 units with a development value exceeding Dh3.7 billion in four years after its foray in the real estate market in 2014.

Construction of the project is expected to start in 2018 with completion in 2020. Lawnz is Danube Properties' first project at the International City and its first gated complex.

"This is our biggest project so far that will add 1,032 units to our existing portfolio and we are all excited to launch the project at the International City that has a very vibrant community," Rizwan Sajan said. "This is our second project launch this year and comes after three months of the launch of the Dh300 million Jewelz that adds 463 units offering more than 15 percent return on investment, which has been a runaway success in terms of sale.

"The launch of such a large project at such a crucial time reflects our confidence in Dubai's real estate market which will continue to grow due to the attractiveness of Dubai and the UAE as a major investment destination."

The Lawnz project is conveniently located at the International City Phase 1. The super lavish amenities include a massive 3.8 acres promenade which offers canal, sunken plaza, a fully equipped health club, swimming pool, steam and sauna room, multi-purpose hall, jogging track, barbecue deck, badminton court, multi-purpose court and a high tech surveillance system for the protection and security of the residents. The property also comes with a 42 metres wide entrance and outdoor cinema.

Among the residential units, 50 percent of the units

The Dh550 million Lawnz – Danube Properties' largest real estate project offering 1,032 residential units within a gated complex – comes with world-class luxury facilities at affordable price

At A Glance

Dh3.70 billion
value of Danube Properties' project portfolio

Dh550 m
development value of the Lawnz project

Dh1.12 billion
worth of properties delivered by Danube in 2018

Dh570 million
worth of more projects will be delivered by Danube Properties in 2018

> **"Ever since we started to tune in the market of the new project, our phones continued to ring from customers and brokers trying to understand the project. We have declined many requests from large investors to snap up part of the project and had decided to open the doors for the real property buyers who have been priced out by the high price in the market...."**
>
> **– Atif Rahman**
> **Director and Partner**
> **Danube Properties**

are studio apartments while 40 percent are one-bedroom apartments and 10 percent are two-bedroom apartments. The building design and architectural aesthetic was created to reinforce the design strategy of Danube, which helps maximise the living space while delivering convenience of community living. The project dedicates 50 percent space to open areas with an emphasis on greenery and landscapes.

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.

Atif Rahman says, "Apartments at Lawnz have been priced keeping the end-users in mind and their comfort level. The units come with the most unique and unseen design of living space.

"In addition to the project's location and the five-star facilities, Danube's industry leading 1 percent per month payment scheme will ensure a faster sell-out of the properties. Lawnz will attract a large number of new home buyers – who were earlier unable to own their home due to price constraint.

"Because of our Volume, Value Engineering and Design efficiency, we were able to offer luxury at an affordable price. However, the monthly payment has empowered the buyers and has encouraged the middle income families to put their life savings in our properties.

"In this way, we are hopeful of attracting new home buyers who were deprived of the opportunity of owning their own home until now."

Danube has delivered 831 properties so far including the handover of 302 units within Glitz Residences 1 and 2 and 358 in Glitz Residences 3 as well as 171 townhouses at Dreamz project till March 2018. It will deliver a further 870 units later this year.

Danube Properties, part of the Danube Group, entered Dubai's real estate market in June 2014 with Dreamz at Al Furjan – which was sold out at launch. Established in 1993, Danube Group, the UAE's largest supplier of building materials and home furnishing, this year celebrates 25th anniversary. ■

Faizal E. Kottikollon, Chairman of KEF Holdings and KEF Katerra Middle East

KEF & Katerra merger to create $3.7 b group

Robots will carry out the most complex construction works in future, replacing humans and make the construction sector more efficient, less dependent on manual labour as the fourth industrial revolution enters the construction sector. KEF Infra remains at the forefront of this new industrial revolution. Its merger with Katerra will help speed up the company's expansion and its efforts to change the construction industry in the Middle East North Africa and India

Gulf Property Exclusive

Dubai-based KEF Infra, part of the KEF Holdings owned by Non-Resident Indian billionaire entrepreneur Faizal E. Kottikollon, has merged with Katerra, a US-based family-owned construction technology business to create a $3.7 billion conglomerate with a $8.5 billion combined order book.

KEF Infra will now merge to become KEF Katerra in the Middle East and India while the global company will operate under Katerra. The partnership will jointly expand their geographic reach, manufacturing capacity, and market expertise, a statement by KEF said.

"Both companies employ a vertically integrated model, offering end-to-end building services enhanced by offsite manufacturing and enterprise technology. The partnership will now help build KEF Katerra's in-house execution team which will reduce the on-site challenges on a project," it said.

Prior to the merger, KEF Infra had $250 million orderbook and $400 million work in the pipeline in India where the company gradually started to change the construction sector with technology-powered building solutions through off-site precast technology that saves up to 40 percent construction cost and 50 per cent time savings with nearly zero wastage.

"The merger creates a strong synergy between two forward-looking technology companies and we are happy with the way the process has gone through," Faizal E. Kottikollon, Chairman of KEF Holdings – a diversified business conglomerate that bear his initials – said in an exclusive interview with *Gulf Property*.

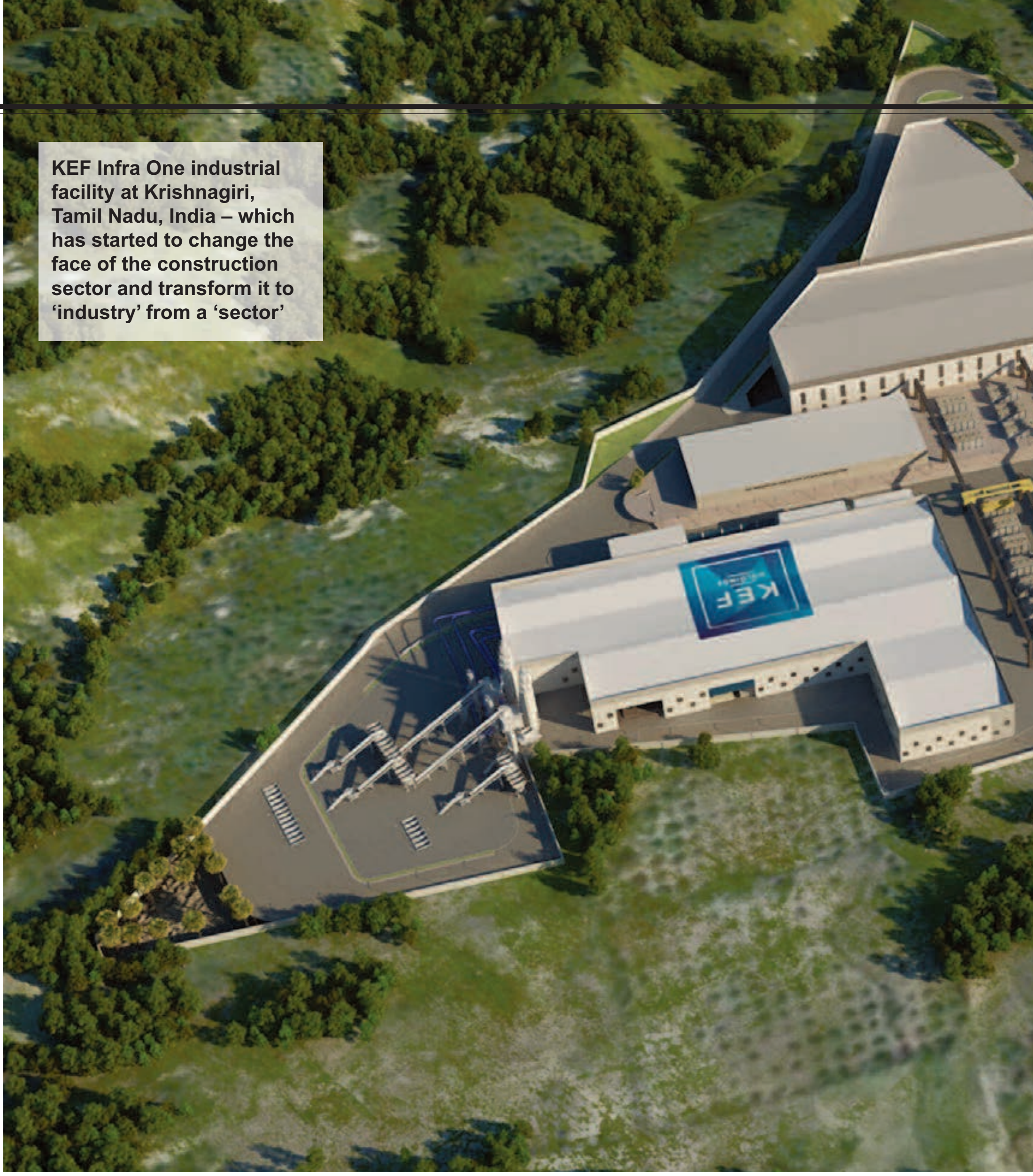
"Following the merger, KEF Infra will become KEF Katerra Middle East that I will head and also liaise with the management of Katerra on spearheading investment into the Middle East and South Asia."

KEF Holdings in January 2018 said, it was planning to invest US$300 million (Dh1.1 billion) in setting up three pre-cast factories in India that would help accelerate the pace of growth of India's real estate and construction sectors, currently undergoing tremendous transformation.

The company's first such project, KEF Infra One Industrial Park, one of the world's largest, integrated offsite manufacturing facilities, is expected to generate revenues of US$1 billion (Dh3.67 billion) by 2020, from US$150 million generated in 2017 – its first full year of operation following the official inauguration in 2016.

Following the merger, Faizal E. Kottikollon will be the board member of Katerra and chairman of KEF Katerra Middle East, while remaining chairman of KEF Holdings – an entity that is owned by him. Although he did not reveal the details of the merger, it was 'a cash and equity' deal in which Faizal becomes a shareholder in the global company in exchange of merging KEF Infra with Katerra with a significant cash payout – to the tune of 'several hundred million dollars' – according to a news agency.

Katerra was co-founded by Michael Marks who is the chairman and CEO. It operates globally from its corporate headquarters at Menlo Park, California. It has two factories and 2,000 employees worldwide with a turnover of $1.1 billion. Katerra was most recently valued at $3 billion, and its investors include Softbank, Foxconn, and Canada Pen-



KEF Infra One industrial facility at Krishnagiri, Tamil Nadu, India – which has started to change the face of the construction sector and transform it to 'industry' from a 'sector'

sion Plan Investment Board.

KEF Infra utilises robotics and automation in its advanced manufacturing operations to deliver high quality building projects more quickly and efficiently.

KEF Infra has 1,400 employees and factories in Krishnagiri and Lucknow in India.

"The merger will enable Katerra to bring world-class pre-cast concrete technologies to the US market, greatly expanding design and materials options for its American clientele. At the same time, the merger will result in a more robust global supply chain and elevated manufacturing processes in existing KEF markets," the company said.

The merger will enable Katerra bring world-class pre-cast concrete technologies to the U.S. market, greatly expanding design and materials options for its American clientele.

The merged entity will now have a team strength of 3,400 people with orderbook of $3.7 billion and US$8.5 billion works in the pipeline.

"The merger will help us expand our business in India and the GCC much faster than we had planned," Kottikollon says.

"This is very good for our business and as a social entrepreneur, I am also happy because this will help fast-track the development of mass housing, schools, hospitals and important public facilities as we want to be a catalyst to changes in the society."

He said, the merger will complete in two months time, when all the employees and assets will become part of KEF Katerra – part of Katerra – following its demerger from KEF Holdings.

Construction is a $8 trillion global business – about 10.66 per cent of the US$75 trillion global economy.

The global construction industry is expected to reach an estimated $10.5 trillion by 2023, and it is forecast to grow at a compound annual growth rate (CAGR) of 4.2 percent from 2018 to 2023. The major drivers for the growth of this industry are increasing housing starts and rising infrastructure due to increasing urbanisation and growing population.

The value of 567 merger and acquisition deals in the global construction industry reached $14.5 billion in the first quarter of 2018, according to accounting firm PriceWaterhouseCooper (PWC).

"Merger and acquisition activity in terms of value and volume slowed in Q1 2018 from Q4 2017 (down slightly from Q1 2017)," Colin McIntyre, US Engineering and Construction Deals Leader at PWC, said.

Faizal E. Kottikollon had launched KEF Infra One 'construction factory' at Krishnagiri in Tamil Nadu with an investment of $100 million in 2014 that was commissioned in 2016 that paid off handsomely and started to change the labour-intensive construction sector with significant value addition powered by technology.

KEF Infra uses offsite manufacturing technology on a Building Information Model (BIM) platform that designs the entire building, feeds the information on materials – both quality and quantity – and then de-constructs the building part by part and sends the information to various production units for processing and 'producing' or 'manufacturing' the building components – the floor slabs, wall panels, door panels, window panels - and stores them in the right order for installation and re-assembling onsite.

In this process, the building is manufactured from base-

At a Glance

- KEF has invested over Rs6.5 billion to set up the world's largest integrated manufacturing facility for offsite construction at Krishnagiri, Tamil Nadu.
- KEF's integrated offsite construction technology brings speed, skill and scale for projects in every sector: education, healthcare, housing and urban infrastructure.
- KEF has the capability to support Govt. of India projects such as Smart Cities with its technology that can fast-track massive low-cost housing and urban development schemes.
- The industrial park will open in November 2015 with 10 different units under manufacturing components for buildings and infrastructure. These include hollow core slabs, pre-stressed beams, automated wall panel production, steel mesh plant, wooden joinery, aluminium glazing, stone processing, pre-fabricated bathrooms and modular MEP, and assembly.
- Three more integrated industrial parks are planned by KEF across India in the very near future and we are focused on skill development by investing in R&D and training both academically at the operational level within our manufacturing and engineering facilities.
- KEF Holdings has an ongoing investment in India of Rs11 billion across infrastructure, healthcare and education sectors and has a firm commitment for a total investment of Rs40 billion in the next five years. ■

ment, ground floor upwards in an assembly line format at the factory. The parts are then transported onsite where it is then assembled using cranes and machineries with minimal human intervention. The entire process is automated in a factory, in a controlled environment thus delivering high quality results.

"We have started building India's first prefabricated shopping mall in Lucknow for LuLu Group. The 2 million square feet project will be delivered in a record 21 months compared to the conventional delivery time of five to six years," Kottikollon told *Gulf Property* in a previous interview.

KEF Infra has witnessed robust growth in its order book, since the launch of the 42-acre KEF Infra One Industrial Park.

In 2017, KEF Infra delivered the 400,000 square feet MEITRA Hospital (500 beds in two phases; 209 completed) in Kerala, within a record time of 18 months, and manufactured 175 public canteens and 20 kitchens as part of the Indira Canteens Project initiated by Karnataka state government.

In addition, the firm handed over the Embassy 7B project, a 1.7 million square feet commercial building for the Embassy Group, which was completed in 13.5 months in Bengaluru, and the Infosys Building Phase 2 in Bengaluru which is a 500,000 square feet building completed in 15 months.

Currently, the firm is executing a one million square feet college hospital for Kovai Medical Center and Hospital (KMCH) in Coimbatore, Tamil Nadu, Phase 2 of the Indira Canteens and kitchen project, which includes an additional 262 facilities across Karnataka, besides the LuLu Mall in Lucknow. The firm has also signed on the G Kuppuswamy Naidu Memorial Hospital (GKNM) in Coimbatore as a client.

In India, real estate is the second largest employer after agriculture and is slated to grow at 30 percent over the next decade, according to a report by India Brand Equity Forum (IBEF). "The Indian real estate market is expected to touch US$ 180 billion by 2020. The housing sector alone contributes 5-6 percent to the country's Gross Domestic Product (GDP)," it says.

In the period FY2008-2020, the market size of this sector is expected to increase at a Compound Annual Growth Rate (CAGR) of 11.2 per cent. Retail, hospitality and commercial real estate are also growing significantly, providing the much-needed infrastructure for India's growing needs.

"A total of 217,900 new houses in six Indian states were sanctioned by the Ministry of Housing and Urban Affairs, Government of India under the Pradhan Mantri Awas Yojana (PMAY) to push affordable housing in the urban areas of the country," the IBEF report says.

"The private equity investments in real estate increased 26 percent to a nine-year high of nearly Rs 40,000 crore (US$6.01 billion) in 2016."

The real estate sector in India is estimated to have attracted investments worth US$7 billion in 2017, which will rise further to US$10 billion by 2020.

According to data released by Department of Industrial Policy and Promotion (DIPP), the construction development sector in India has received Foreign Direct Investment (FDI) equity inflows to the tune of US$24.54 billion in the period April 2000-June 2017. ■

Shurooq transforms Sharjah with Dh7.6 b

Works on Kalba Waterfront project – a new tourism attraction – has already started

Gulf Property Exclusive

Sharjah Investment and Development Authority (Shurooq), Sharjah Government's investment promotion and asset development arm, is gradually transforming the emirate's economy by partnering with investors in key tourism and development projects as its portfolio of projects reach Dh7.6 billion (US$2.07 billion) across a total area of 11.74 million square metres in nine years.

Shurooq was established in 2009 – at the height of the global financial crisis that hit the UAE's real estate market in the fourth quarter of 2008, by the Emiri decree No.2 issued by His Highness Dr. Sheikh Sultan bin Muhammad Al Qasimi, Supreme Council Member Ruler of Sharjah. Since then, Shurooq has not only played a pivotal role in driving inward investment in to the emirate's growing economy, it has established Sharjah as a major international business hub as well.

Foreign direct investment (FDI) flow into Sharjah more than doubled in 2017 to Dh5.97 billion leading to a major jump in job creation, the investment promotion arm of the Sharjah government said earlier this year.

Data released by Sharjah FDI Office at the 8th Annual Investment Meeting in Dubai showed that cumulative international investments in Sharjah surged to Dh36 billion, with 2017 witnessing a 174 per cent surge in new jobs to 2,815.

Sharjah recorded FDI inflows worth Dh5.97 billion in 2017 as compared to Dh920 million in 2016 while more than 5,000 jobs were created in 2017 from all investments, including local, regional and international businesses.

Sharjah witnessed a qualitative growth in FDI inflows in the past year, with 18 new businesses bringing in more than double the capital that was invested by 20 projects in 2016.

The 2017 capital investments were made by 18 new projects set up in diverse sectors, with the top 3 being architectural metal manufacturing investing $725 million; agricultural, construction and mining machinery with $356 million and real estate FDI

Marwan bin Jassim Al Sarkal, Executive Chairman of Sharjah Investment and Development Authority (Shurooq)

"Sharjah's phenomenal growth cemented the emirate's image as a preferred investment destination for investors from across the world and prompted Shurooq to adopt an integrated plan and a new vision to cope with economic changes, resulting in the formation of the Sharjah FDI Office (Invest in Sharjah)...."

– Marwan Al Sarkal Executive Chairman Shurooq

standing at $344 million.

Invest in Sharjah identified top international investors in the emirate in 2017 as India, the UK, USA, China and Saudi Arabia and reported that $10.5 billion was invested in different businesses last year in 35 new ventures.

Marwan bin Jassim Al Sarkal, Shurooq Executive Chairman, said: "Sharjah's economic strategy is based on diversification, understanding the basic needs of investors and the desire to improve the style and quality of life for all residents. Thanks to Sheikh Sultan Al Qasimi's foresight, Sharjah has built an outstanding investment development model for other economies to emulate.

"Shurooq was launched under the leadership and vision of Sheikha Bodour bint Sultan Al Qasimi and despite being a relatively new entity, the authority has established a global reputation."

Shurooq's portfolio includes several large-scale projects including Al Qasba, Al Majaz Waterfront and Al Montazah Amusement and Waterpark, as well as the iconic Al Noor Island, which sits on the shores of Khalid Lagoon, combining nature, entertainment, culture and art. Other destinations include The Flag Island and other Flag Squares across the emirate which are among the most prominent national monuments in the UAE.

Other projects currently under construction include the 'Heart of Sharjah', the largest historical preservation and restoration project in the region. Planned over five phases, to be completed by 2025, the Heart of Sharjah is home to a variety of tourist facilities such as Souq Al Shanasiyah and Al Bait Hotel.

Shurooq also boasts the Maraya Art Centre and the 1971-Design Space, the 'I Love Sharjah' brand and City Sightseeing Sharjah tour buses. The emirate is also home to major events like Sharjah Food Festival and Sharjah World Music Festival, among many others.

"Shurooq focused on constructive cooperation and integration with various state departments and agencies across the UAE for the benefit of all emirates, inspired by vision of the late Sheikh Zayed bin Sultan Al Nahyan, the founder of the nation," Al Sarkal said.

Sharjah's Buhairah Corniche at night

"Sharjah's phenomenal growth cemented the emirate's image as a preferred investment destination for investors from across the world and prompted Shurooq to adopt an integrated plan and a new vision to cope with economic changes, resulting in the formation of the Sharjah FDI Office (Invest in Sharjah).

"Invest in Sharjah is tasked with leading the emirate's efforts for investment promotion, with a focus on developing leading real estate and tourism projects and bringing about a positive transformation in the developmental landscape."

"According to figures released by the Sharjah Department of Economic Development, in 2016 the real estate and business service sector achieved growth of 4 percent and with the launch of new, innovative projects I am confident that we are on the threshold of a big jump for this sector in the near future.

"Sharjah's sophisticated infrastructure and legislative frameworks encourage the sector to flourish, especially with the introduction of the usufruct right that allows non-UAE citizens to own properties on a 100-year leasehold basis."

Al Sarkal also indicated that the lack of real estate projects with integrated services and facilities in the past have prompted Shurooq to announce a series of strategic partnerships and joint ventures with world-class local companies such as Eagle Hills, Nakheel, Diamond Developers and Emaar Hospitality.

Key Sectors for Investment

The 'Invest in Sharjah' office is adopting an ambitious strategy that focuses on six main sectors: tourism and leisure; environment and renewable energy; healthcare; transport and logistics; education; and light industries

According to a statistical study by Shurooq, the tourism and leisure sector in Sharjah has a wealth of opportunities, especially in luxurious accommodation, with four-and five-star hotels accounting for 70 percent of emirate's total hotel revenues.

This is apart from potential opportunities in leisure destinations in Sharjah, particu-

larly in the food and beverage sector, which is expected to reach $1.4 billion (Dh5.15 billion) in 2019.

The economic value of the environment sector is expected to reach $281 million (Dh1.03 billion) in Sharjah by the end of this year. With Sharjah placing a high premium on preservation and environmentally sustainable practices, the sector is likely to grow to $314 million (Dh1.15 billion) by the end of 2020.

Shurooq is collaborating with relevant bodies and agencies in Sharjah to identify potential opportunities and provide facilities that help attract investments and capital to these sectors, ensuring the free circulation of data between legal, economic and tourist bodies, enhance transparency and objectivity.

Sharjah's healthcare sector also offers many investment opportunities. With imports accounting for 90 percent of medicines, there is investment potential to establish pharmaceutical plants to meet a large portion of domestic demand. The number of beds in local hospitals account for 0.6 beds per 1000 people at a time the healthcare sector is expected to grow by 9.3 percent annually. These figures show the investment appeal and revenue potential in the local health sector through establishing more medical facilities.

In education, Sharjah is home to an impressive array of prestigious and world-class educational establishments, with educated people constituting 92% of the emirate's total population. The education sector is still very promising for investment, particularly in schools, universities and specialised institutes.

Current Projects

Shurooq continues to make achievements in 2018, during which it revealed the establishment of a new company Eagle Hills Sharjah in a strategic partnership with Abu Dhabi-based leading developer Eagle Hills.

Under this new joint venture, Shurooq launched three large-scale projects worth Dh2.7 billion to be developed by the new company.

The three projects include Maryam Island, Palace Al Khan and Kalba Waterfront, all of which are focused on promoting Sharjah's tourism sector and celebrating the emirate's heritage.

The large-scale projects, including high-end hospitality facilities, will give a strong boost to the emirate's flourishing property sector, setting new benchmarks for housing, hospitality and retail offerings, as well as lifestyle communities in Sharjah and Kalba. The projects are scheduled for completion between 2019 and 2020.

Maryam Island

The largest of the three projects in term of both value and area is the Dh2.4-billion Maryam Island, a mixed-use development located between Al Khan Lagoon and Al Mamzar in Downtown Sharjah.

Maryam Island spans 460,000 square metres, of which 310,000 square metres are designated for commercial and residential compounds, hotel units, restaurants and cafes, shops, leisure facilities and green parks.

Economic Landscape of Sharjah

Sharjah's GDP hit Dh152 billion in 2016 according to the Department of Economic Development, partly attributable to the emirate's strategic location between Asia, Europe and Africa.

Sharjah is home to world-class seaports on the Arabian Gulf and Indian Ocean, as well as its international airport and the sophisticated infrastructure of roads and integrated transport networks.

The transport and logistics sector in the emirate is expected to achieve a total value of $1.7 billion (Dh6.25 billion) by the end of 2018 and projected to rise steadily to $1.9 billion (Dh7 billion) by the end of 2019.

For light industries, Sharjah is home to 65,000 small and medium-size enterprises that find the emirate an ideal place for their growth and expansion. The SMEs provide the domestic market and foreign markets with many light industries such as food, packaging, and light metal industries, among others. Sharjah has 22 industrial zones offering world-class facilities, opening the doors to investors from all over the world.

Shurooq established 7 companies, each with a different function to support the emirate's economic expansion.

These are: Sharjah Transport Solutions, Absolute Adventures, Tasweeq, Poltrona Frau, Qatra, Mazare'a and TACA Emirates.

Sharjah FDI

Invest in Sharjah is the official entity with a mandate to introduce investment opportunities to business owners, managers and investors in various sectors and helping them to make the most of the emirate's offerings.

The office implements an overall strategy based on providing a range of advantages and incentives in cooperation with a number of relevant government agencies and departments, to enhance the business environment in Sharjah and make it more attractive. ■

His Highness Dr Sheikh Sultan bin Mohammed Al Qasimi, Member of the UAE Supreme Council and Ruler of Sharjah, being briefed on a new master-planned community by Sheikh Sultan bin Ahmed Al Qasimi, Chairman of Sharjah Media Centre and Arada

The $43.5 million (Dh160 million) Kalba Waterfront is a master-planned retail mall spanning 17,000 square metres with 11,200 square metres of gross leasable area.

The shopping centre will be located within the Kalba Eco-Tourism Project adjacent to a lagoon, and house 86 retail outlets, indoor and outdoor dining outlets, local and international brands, a supermarket and entertainment area.

The unconventional design of the mall includes internal public streets with outlets and shops on both sides, offering a unique outdoor dining space and breathtaking views. Palace Al Khan is designed to be Sharjah city's first five-star luxury waterfront resort. The seaside hotel, extending over 66,200 square metres along the city's coast in Al Khan area overlooking the Arabian Gulf, will offer 87 hotel keys.

Community Shopping Mall

In April, Shurooq signed an agreement with master developer Nakheel to develop a new community retail centre at a total cost of Dh75 million.

Under the agreement, Nakheel will develop a high-class community retail and leisure centre in Sharjah's rapidly-expanding Al Rahmaniya district.

Sustainable City, Sharjah

In alignment with its vision to strengthen strategic partnerships with the private sector and boost the emirate's drive of economic diversification, Shurooq signed a partnership agreement with Diamond Developers to develop a large mixed-used green and sustainable project in Sharjah.

The green project enhances the quality of real estate projects in Sharjah, meeting the highest standards of environmental sustainability, allowing new and innovative options for investments in the green sector.

Eco-Tourism Projects

In its relentless endeavour to promote the value of services and products it offers to the public, Shurooq entered the eco-tourism sector,

launching the Kalba Eco-Tourism project in May 2012 with a view to providing a number of nature reserves and diverse tourist facilities in collaboration with the Environment and Protected Areas Authority in Sharjah.

Pressing ahead with its strategy to implement sustainable projects, Shurooq began the development of the Mleiha Archaeological and Eco-Tourism Project in early 2016. In its first phase, the project saw the construction of the Mleiha Archeological Centre, which offers visitors a glimpse into Sharjah's rich legacy and historical treasures, and a diverse set of desert adventures.

Shurooq's strategy for expansion and growth has continued with the launch of the 'Sharjah Collection' hospitality brand, which was announced in April 2017.

The Sharjah Collection includes a number of luxurious lodge and B&B-style properties, along with environmentally-conscious hotels to offer its guests unique living experiences with an authentic taste of Arabian hospitality, rich in Emirati culture.

Shurooq appointed Mantis Collection, the owner of some of the world's finest boutique hotels and eco-escapes, to manage all hospitality facilities that fall under the Sharjah Collection brand.

The first phase of the Sharjah Collection's portfolio includes three projects: Al Badayer Lodge in the Al Badayer Desert; Bait Khalid Bin Ibrahim in the Heart of Sharjah; and the Kingfisher Lodge nestled within the Kalba Eco-Tourism project. Recently, Shurooq announced the addition of the Fossil Rock Lodge to the Sharjah Collection.

The Kingfisher Lodge, a five-star hospitality project, features a tented camp within a stunning mangrove nature reserve in the heart of Kalba. Construction work on the project began in March 2017, and is expected to open soon.

About 80 percent of Fossil Rock Lodge within the Mleiha project is complete, which will serve as a modern luxury hospitality facility offering a unique experience for desert adventurers and nature lovers.

Future projects

The authority has been actively involved in developing a range of projects, some of which are near completion and will be opened over the next few months.

During 2018, other large-scale projects will be delivered, including Al Bait Hotel, a boutique five-star hospitality facility and the first of its kind heritage hotel in the UAE, and Al Badayer Lodge.

Al Bait, part of the 'Heart of Sharjah', has transformed authentic Emirati houses through renovation and expansion. Singaporean General Hotel Management (GHM), a leading operator of luxury hotels in the world, has been appointed to operate the Dh100 million luxury resort.

Another project, Al Badayer Oasis, is a retreat overlooking the golden sand dunes of Sharjah's central region. In July 2017, Shurooq added 10 dormitory rooms for individuals and groups as well as a cinema and a gym, increasing the project's total investment from Dh45 million to Dh60 million. ■

Fidu brings Dh380m Chinese investment

Gulf Property Exclusive

Fidu Properties, a Dubai-based real estate broker owned by group of three Chinese businessmen, has underwritten a Dh380 million (US$103 million) property purchase deal by a group of Chinese investors involving a project at Dubai Creek Harbour cluster, a senior company official told Gulf Property.

"We have just concluded a huge investment deal by Chinese investors with Emaar Properties to the tune of Dh380 million involving a project in Dubai Creek Harbour – one of many more deals to come through Fidu Properties," Amit Dahima, Marketing Manager of Fidu Properties, said.

"We have a very strong network among the Chinese investor community and through this network, Fidu Properties will attract more Chinese investment in Dubai's real estate market."

Fidu Properties was set up by three Chinese businessmen in 2017, with an office at Emaar Square.

The company has invested Dh30 million in setting up and expanding its business in Dubai, including Dh4.8 million in marketing budget that helped spread the company's branding across the UAE.

Fidu Properties concluded Dh780 million real estate deals in the UAE in the last two years. Fidu is a key player in both the Chinese and Hong Kong property markets. Bilateral trade between China and UAE touched $41 billion in 2017, that reflects growing economic relations between the two countries.

Non-financial overseas investments by Chinese investors reached $120 billion in 2017, according to China's Ministry of Commerce.

Chinese outbound investment is set to reach as high as $2.5 trillion over the next decade despite rising protectionism, according to new research, suggesting that annual totals will regularly beat the record set in 2016, according to the international law firm Linklaters.

Overall, the firm projects Chinese outbound foreign direct investment will total $1.5 trillion to $2.5 trillion over the next 10 years. Last year

"Chinese investors look at higher returns on investment and with 6-8 percent annual rental yields, Dubai offers one of the highest returns on investment in real estate. This factor, in addition to strong investor protection mechanism and sound regulatory regime will continue to attract foreign investment, including investment from China...."

– Amit Dahima
Marketing Manager
Fidu Properties

Amit Dahima, Marketing Manager of Fidu Properties

such deals totalled $172 billion, below the record of $227 billion in 2016 but still the second-highest on record, Linklaters said, citing Bloomberg data. Chinese balance of payments data show a sharper drop from $217 billion in 2016 to $101 billion last year.

According to Dubai Land Department (DLD), Dubai's real estate market witnessed more than 30,000 transactions worth approximately Dh56 billion from close to 23,000 global investors in 2017. Chinese investments currently rank sixth-highest for inbound property investment having been eighth-highest as recently as May last year, according to Knight Frank's Prime International Residential Index.

Recent policy changes such as granting Chinese nationals visa on arrival in Dubai, as well as the connectivity permitted by direct flights to 13 Chinese cities have increased the emirate's attractiveness to investors from the country.

Recent reports estimate that more than 8,000 real estate transactions were completed by Chinese in just two years. So it comes as no surprise that Dubai developers have identified China as a sizeable target buyers and roughly a quarter of those transactions, to the value of over Dh3 billion, took effect in the past for joint ventures, encouraged by focused marketing efforts at exhibitions in China. Recently, a number of Dubai property developers and brokers participated at the Luxury Property Showcase Beijing 2018 in which 6,000 visitors met 140 exhibitors from 35 countries.

Marwan Al Kindi, Director of Sales and Sales Operations at Dubai Properties said: "Interest from the Chinese market is at an all-time high. Over the past two years Chinese buyers have consistently ranked amongst Dubai Properties' top ten buyer nationalities in terms of value, however as recently as April they were in the top five, so there is a clear trend for us to capitalise on. This key market that currently represents three percent of Dubai's real estate transactions."

Fidu is one of the growing number of Chinese players in Dubai property market. According to consultancy Knight Frank, the Chinese ranked as the 4th most active real estate investors in the first half of 2017. Interest-

Dubai's property market ripe for foreign investment, including Chinese capital

ingly, Chinese contractors feature among the top 5 contractors in the UAE. The consultancy also estimates that Chinese contractors will account for 6 percent of all contracts between 2018-2020 in the emirates.

Dahima says, "Chinese investors look at higher returns on investment and with 6-8 percent annual rental yields, Dubai offers one of the highest returns on investment in real estate. This factor, in addition to strong investor protection mechanism and sound regulatory regime will continue to attract foreign investment, including investment from China.

"Although the average ticket size of properties is reducing due to a stronger focus on the affordable housing, the average ticket price of Chinese investment ranges from Dh1.2 million to Dh1.5 million – which is quite high compared to the current market trend in Dubai."

Fidu Properties currently employ 40 property brokers and it is planning to hire more, he said.

"We are currently in the process of increasing our sales team to 300 agents from the team size of 40," Dahima says.

"So, in the next few months, you will see hectic recruitment activities in Fidu as we plan to aggressively buy and sell properties in Dubai and UAE. With declining property prices due a lower demand and oversupply, we see a great opportunity for property investors and buyers in benefitting from the current property price."

The expanded team will approach all the investor communities, while the company's owners will focus on bringing in Chinese capital in to the real estate market, he says. China's non-financial outbound direct investment (ODI) continued to see double-digit growth in the first quarter of the year, official data showed Monday.

Domestic investors made $25.5 billion of non-financial ODI in 2,023 overseas enterprises in 140 countries for January-March, the Ministry of Commerce (MOC) said.

The figure was up 24.1 percent from the same period last year. ODI in countries along the Belt and Road maintained strong expansion, rising 22.4 percent from one year earlier to $3.61 billion during the first three months. ■

Omkar builds $6bn worth of projects

Gulf Property Exclusive

Omkar Realtors and Developers, a Mumbai-based real estate developer, has sold properties worth Rs3 billion to Non-Resident Indians (NRIs) living in the GCC countries, a top official told *Gulf Property* in an interview.

"Of these about 65 percent of the sales have been concluded in the UAE," Babulal Varma, Managing Director of Omkar, said.

"There is a renewed sense of confidence in investment in to real estate in India as the recent regulatory and legal reforms – such as the enactment of the Real Estate (Regulation and Development) Act, 2016 (RERA), the Goods and Services Tax (GST) as well as the new foreign investment law – are helping the industry to become more transparent with developers becoming more accountable to investors and their interests.

"The GST in real estate now varies between 8-12 percent – which is quite reasonable and it makes the business more transparent and efficient. It replaces all other various taxes that we used to pay to different authorities.

"With the introduction of the new escrow account, the buyers' and investors' money directly goes in to the escrow account of each project and the developer is restricted by the law in using the money strictly to build and promote the property.

"The state of Maharashtra has already implemented the escrow account and all developers are currently following this. Other states will gradually implement this in phases. As the country's commercial capital, Mumbai – where we operate – has already put the system together.

"This is why more and more Indians are now investing in their homes as the law now assures them of the timely delivery of the properties."

India has moved up one place to claim the 35th spot on the Global Real Estate Transparency Index (GRETI) – published by Jones Lang LaSalle (JLL), a global real estate advisory – aided by improvement in market fundamentals, policy reforms,

Babulal Varma, Managing Director of Omkar

and liberalisation of FDI. Digitisation of property records and industry status accorded to affordable housing have also helped.

Varma says, India's economic growth will continue to accelerate and with political stability backed up by the ongoing legal and administrative reforms will help the real estate sector to grow further.

"The perception of real estate business is changing in India along with the changing times and new regulations," he says. "The market is more matured, transparent and there is a sense of trust in the air.

"The real estate market will continue to grow for the next three to five years as buyers are coming back in big numbers to the market.

"I believe, the three 'D's – Democracy, Demand and Demography – will continue to drive the growth of Indian economy and real estate sector," he said.

India has also shown incredible improvement in the latest survey and emerged as one of the top 10 countries to register maximum improvement in transparency in real estate over last two years. The country has moved up five places since 2014 or over last two cycles of JLL's GRETI.

Foreign investment into the Indian real estate sector stood at $2.6 billion in 2017, according to Knight Frank, a global real estate advisory.

Foreign investments into Indian real estate was higher than collective foreign investments in the other Asia Pacific countries of Malaysia, Thailand, Indonesia, Vietnam and Philippines.

With the value of Indian Rupee losing its shine, more and more NRIs are looking at investing back home in India.

Omkar, which has delivered 14,500 residential units including converting slums to 12,000 affordable homes under a government-mandated scheme and 2,500 luxury homes spread across 350 acres of land parcels across Mumbai.

The company is involved in 12 types of businesses employing 3,500 people including 1,400 in real estate sector.

Omkar Realtors, established in 2003, has already delivered projects spanning 4 million square feet in residential and commercial sectors. The company is currently developing over 20 million square feet in Mum-

India needs to transform its dilapidated urban infrastructure, in order to make the cities more habitable. The government's smart cities programme might address this partially...

bai. They have also undertaken development of another 40 million square feet for upcoming projects.

"The portfolio value of our delivered projects have exceeded US$9 billion (Dh33 billion) while the value of projects under execution is around US$6 billion (Dh22 billion)," Babulal Varma said.

"We are currently promoting 14-15 projects that are attractive to NRIs in the Gulf. Our latest venture, Lawns and Beyond launched about four months ago, saw about 200 units or a fifth of the 1,000 residential units sold out.

"We are offering one-bedroom homes for 8.5 million to 9 million. We will soon release the next phase with 800 units for selling."

Omkar Realtors last year said it will invest about Rs17 billion over the next five years to build a new housing project, comprising 1,200 flats, at Andheri in Mumbai.

The prices of the flats will range from Rs 87 lakh to Rs 1.6 crore, while the carpet will vary from 355 to 710 square feet.

This is the first phase of the overall 65 acre slum redevelopment project.

The project cost would be around Rs16-17 billion in the first phase of development and the company expects about Rs20 billion revenue from the sale of the 1,200 units. An investor can expect an annual 12 per cent return on investment (ROI) from this project.

The company has rehabilitated more than 60,000 slum dwellers in Mumbai under the Maharashtra government's Slum Rehabilitation Authority (SRA) housing scheme.

The real estate sector is a major component of the Indian economy. The real estate sector contributed to 6.3 percent of the GDP in 2013-14, at an estimated 3.7 lakh crores and employed about 7.6 million people.

India's Ministry of Housing estimated a housing shortage of 18.78 million houses during the 12th plan period, with 99 percent in the economically weaker section (EWS) and lower income groups (LIG).

Further, the country's total urban housing shortage is projected to be about 30 million by 2022. The report prepared by the Technical Urban Group (TG-12) on Urban Housing Shortage 2012-17 also highlights that nearly 1 million households are living in non-serviceable kutcha houses, while over half a million households are in homeless conditions.

"The government's Housing for All and Smart Cities schemes are creating new opportunities for the real estate sector," Varma says. "We ourselves are involved in the affordable housing development programmes and are transforming some of the worst slums with new residential projects with good quality homes developed in a good environment." ■

SPOTLIGHT

ADFD extends Dh67m to Yemen

Abu Dhabi Fund for Development (ADFD), the leading national entity for development aid, and the Emirates Red Crescent (ERC) signed a Memorandum of Understanding (MoU) to manage the Dh67million ($18.3 million) UAE government grant aimed to support the healthcare sector in Hadhramaut Governorate in Yemen.

The grant aims to support three healthcare projects in Yemen's Hadhramaut Governorate including rehabilitating hospitals, reconstructing the Maternity and Child Hospital, as well as purchasing medicines and medical equipment.

Aimed at providing quality medical attention to Hadhramaut's population, the hospital rehabilitation project will overhaul and equip seven hospitals in the region.

Encompassing maintenance, construction and electrical works, the second project will revamp the Maternity and Child Hospital through boosting its capacity with 150 additional beds, as well as through the provision of necessary medical supplies and equipment. As part of the third project, ADFD will purchase supplies of essential medicine for the Governorate.

Since 1974, ADFD has spent Dh3 billion in loans and government grants towards the development of 49 projects in Yemen. ■

Muscat to build $13bn township

Majid Al Futtaim, a Dubai-based diversified business conglomerate, and Oman Tourism Development Company (Omran), the development arm of the Government of Oman for the development of the tourism sector, said, they will develop a new $13 billion (Dh50 billion) township, Madinat Al Irfan, close to the new Muscat International Airport.

"Madinat Al Irfan is the Sultanate's largest urban development project and is set to contribute to Oman Vision 2040. The eastern area currently being developed by Omran sits alongside Wadi Park just minutes from the newly opened Muscat International Airport. It is a multi-use district adjoining the Oman Convention and Exhibition Centre (OCEC), a world- class venue for international conferences, trade shows and concerts," a joint statement said.

The joint venture will see the development of a vibrant mixed-use community that will serve as the new urban centre for Muscat. The announcement was made at a recent press conference and signing ceremony at the Oman Convention and Exhibition Centre in Muscat.

The new mixed-use community is located at the western area of Madinat Al Irfan and spans over 4.5 million square metres. The joint venture project investment value is estimated at OR5 billion over a period of 20 years and is anticipated to create more than 30,000 direct and indirect jobs in the country. Centrally located in Muscat's urban corridor, the development will become the gateway to Oman; creating a modern downtown for residents, businesses and visitors.

Ali bin Masoud Al-Sunaidy, Chairman of Omran stated: "The development of Madinat Al Irfan is a great addition to Muscat and reflects the vision of His Majesty Sultan Qaboos bin Said to diversify the Omani economy. The benefits to the local economy and tourism are already being realized, but it will also bring great economic and social benefit to the whole of the Sultanate. The overall scale of the project is unprecedented and directly aligns with the government's vision to invest in sustainable developments to strengthen and diversify the economy of Oman for the future generations."

Upon completion in three key stages, Madinat Al Irfan will feature more than 11,000 residential units comprising villas, townhouses and apartments, 100,000 square metres of retail space, 700,000 square metres of office space, as well as a number of cultural and lifestyle offerings. The development will serve as an integrated, sustainable and inclusive community, true to the values of Omani society. It will cater to all segments of the local community, providing a model for future urban developments, not just locally, but across the region. It will create a new urban lifestyle not yet seen in the Sultanate.

Madinat Al Irfan will be the second mixed-use community by Majid Al Futtaim in Oman following the unrivalled success of Al Mouj Muscat. Madinat Al Irfan is poised to be a catalyst for change in Oman.

Alain Bejjani, CEO at Majid Al Futtaim – Holding, said "Our long-standing commitment to this country has led us to invest OR705 million and create employment opportunities for more than 42,000 people. We are Oman's largest non-energy Gulf investor and a long-term contributor to the local economy." ■

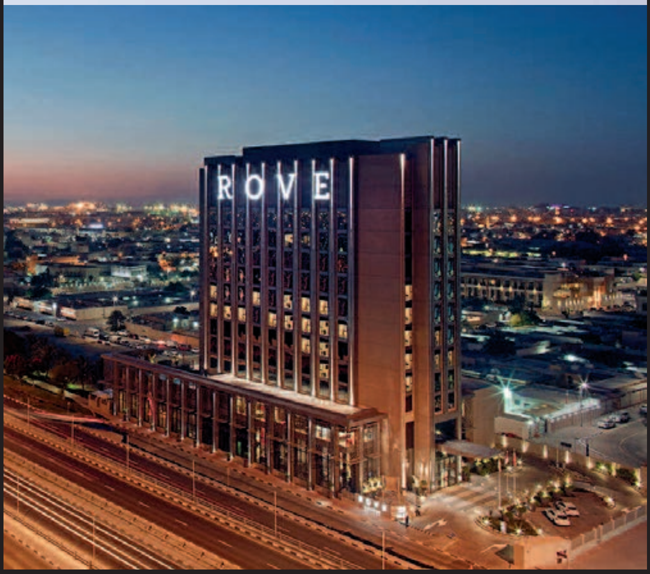
Kalyan Group to build 15 hotels in 3 years

Kalyan Hospitality, part of Dubai-headquartered Kalyan Group, will develop 10-15 hotels in Sub-Saharan Africa region, a top company official said.

"Hospitality is one of our focus business areas and we are planning to build 10-15 hotels in the next few years," Ashok Gupta, Chairman of Kalyan Group, told *Gulf Property* in an interview on the sidelines of a press conference organised to announce a partnership with Emaar Hospitality, to operate Address Hotel 2 Février Lomé Togo, an iconic hotel set in the heart of the city and in the tallest building in Togo.

"Our current arrangement with Emaar Hospitality Group is to bring Emaar's expertise in managing our flagship hotel in Togo and develop more hotels in Africa the tap the growing tourism markets in the African continent where we see increased economic activities in the coming years."

Emaar Hospitality Group to enter in the African market with a tie-up with Kalyan Group



Only 7 kilometres from the Lomé–Tokoin International Airport, which connects Togo to key African cities as well as Europe and beyond, Address Hotel 2 Février Lomé Togo will be operated by Address Hotels + Resorts, the premium lifestyle hotel and serviced residences brand of Emaar Hospitality Group, which will assume the management of the property shortly.

Located near the Monument de l'Independance (Monument of Independence), Address Hotel 2 Février Lomé Togo will open doors to welcome guests shortly following the rebranding of the property, which was first established in 1980.

Address Hotel 2 Février Lomé Togo is a hotel project under Address Hotels + Resorts, which has six operational hotels in Dubai that are popular among African guests to the city. Togo marks the sixth international destination for the hotel brand that has upcoming hotel projects in Saudi Arabia, Egypt, Turkey, Bahrain and The Maldives, in addition to several new openings in the UAE. Emaar Hospitality Group has plans to operate more hotels in Sub-Saharan Africa, one of the key growth markets.

The management agreement was signed by Olivier Harnisch, CEO of Emaar Hospitality Group, and Ashok Gupta, CEO of Kalyan Hospitality Development Togo SAU, which owns the hotel.

The Kalyan Group has large diversified business with interests in commodities, dry bulk shipping, hospitality, investments and large-scale farming, among others and has developed core expertise specialising in revamping and bringing back to life national heritage assets and historical properties. Having redeveloped the hotel to world-class standards in an unprecedented 15 months, the Kalyan Group facilitated Togo's hosting of major international events, including the African Hospitality International Forum 2016.

Olivier Harnisch said: "Our management agreement to operate Address Hotel 2 Février Lomé Togo is a significant landmark in our expansion to Sub-Saharan Africa. Togo is also strengthening its tourism sector with the goal of increasing the share of the industry from 2 to 7 per cent by 2020 and investing infrastructure upgrades and boosting the industrial sector." ■

Axs to handle trade license issuance in Tecom Dubai

The Business Registration and Licensing (BRL) Sector of the Department of Economic Development (DED) in Dubai signed a memorandum of understanding (MoU) with axs, TECOM Group's smart gateway for integrated services.

Omar Bushahab, CEO of the BRL Sector at DED, inked the agreement with Dr Ayoub Kazim, Managing Director of axs.

As per the MoU, effective 1 July, 2018, axs has access to DED's business licensing and registration systems, and can issue, renew and cancel commercial licenses for its over 4,000 non-free-zone business partners. The agreement also mandates that 70 per cent of jobs newly created by axs should be held by UAE nationals.

Axs was founded in 2014, to provide licensing and registration services for TECOM Group's non-free-zone business partners in Dubai Industrial Park, Dubai Design District (d3), and Barsha Heights.

The move aims to increase the efficiency of company licensing and registration processes, and enable all TECOM organisations to complete the full spectrum of transactions under one roof without the involvement of any external service centres. ■

Emirates to invest $40 m in a large vertical firm

Emirates Flight Catering (EKFC) and US-based Crop One will co-invest $40 million to build the world's largest vertical farming facility near Al Maktoum International Airport at Dubai World Central. The project is a joint venture with U.S.-based Crop One Holdings, the world's leading vertical farm operator.

When complete, the vertical farm facility will cover 130,000 square feet, but have a production output equivalent to 900 acres of farmland. At full production, the facility will harvest three US tons (2,700 kg) of high-quality, herbicide-free and pesticide-free leafy greens daily, using 99 percent less water than outdoor fields.

The proximity of the farm to the point of consumption also substantially reduces carbon emissions associated with transportation. It will also ensure the quick delivery of the fresh products, reaching customers within hours of harvest, maintaining high nutritional value.

The construction of the facility is scheduled to start in November 2018 and will take one year to complete. The first products are expected to be delivered to Emirates Flight Catering's customers, including 105 airlines and 25 airport lounges, in December 2019. ■

Weaker Indian currency could spur investment into Indian realty as they would appear cheaper due to the new currency exchange rate for those remitting from the GCC

Rupee slide to help Indian real estate

The continued decline of the value of the Indian currency (Rupee) will help greater flow of remittance and investment by Non-Resident Indians (NRIs) who can see additional value of the UAE Dirhams – that is pegged to the US Dollar – every time they remit or convert Dirhams to Indian Rupee.

The rupee plunged as much as 49 paisa to an all-time low of 69.10 vs the US dollar at the interbank foreign exchange market in the morning session on Thursday.

Indian Rupee is now traded at IRs 69 per 1 US Dollar in the open market – its lowest value. NRIs' interest in investing in Indian properties has increased 17 percent, according to a latest survey conducted by the organisers of the Indian Property Show that concluded last month in Dubai.

"The slide in the Indian rupee seems to be encouraging NRIs living in the UAE to further invest in their homeland with lesser dependence on finance," a statement said.

"The research also highlighted investors' increasing interest in buying property for investment purpose rather for own use, a rise of about 17 percent was observed from 34.98 percent to 40.87 percent now looking to buy property in India either as their first investment or for an additional investment to build their property portfolio."

According to the survey, 28 percent of respondents showed interest in investing in properties within the range of 76 lacs to 2 crores, while 46 percent were keen on properties ranging between 25 lacs to 75 lacs.

Based on feedback of about 15,000 NRIs, the figures showed a difference of almost 9 percent with 42.34 percent of respondents declining requirement for finanaceto buy property – up from 33.66 percent a few months ago.

"Further decline in Indian rupee combined with a spate of regulatory reforms seems to be encouraging NRIs to invest in their favourite asset class. We see the interests bouncing back as expat Indians are not only keen on purchasing a home in their homeland but have also shown an increased interest in purchasing purely for investment purposes," commented Kowshik Mukherjee, Head of Indian Property Show.

Sultan Butti Bin Mejren, Director General of Dubai Land Department along with Bollywood celebrity Arbaaz Khan opened the latest edition of the Indian Property Show at the Dubai World Trade Centre last month. ■

Construction of $1.2b Reem Mall picks up

Construction works of Reem Mall is on fast track

Al Farwaniya Property Developments, the developer behind Reem Mall, Abu Dhabi's up and coming retail, dining and leisure destination, today showcased the construction progress of the US$ 1.2 billion (Dh4.4 billion) project.

Construction of the mall commenced in late 2017, and within the first few months, 13 tower cranes have been erected and raft foundation works are well advanced with over 55,000 square metres – more than 9,000 truckloads – of concrete set in place, and over 5,500 tonnes of reinforcement installed.

In addition the superstructure of the project is now underway with the first suspended slab's recently poured and vertical works progressing across the whole site.

Reem Mall is set to bring 2 million square feet of leasable area (2.9 million square feet of floor area) which will comprise more than 450 retail brands, dining options as well as a range of entertainment concepts, including the much-anticipated Snow Park Abu Dhabi, a destination snow park attraction.

Shane Eldstrom, Chief Executive Officer of Al Farwaniya Property Developments said, "We're very excited about the pace at which Reem Mall construction is progressing. The cranes are on site, we have nearly completed the substructure and have already completed several sections of floor in the superstructure. We look forward to delivering this world class destination, to the people of Abu Dhabi and the wider UAE."

Al Farwaniya Property Developments also announced that infrastructure works had commenced with geotechnical investigations required for the projects elevated roads which will when completed provide unparalleled access to the mall for visitors.

Reem Mall site is located in the Najmat District on Reem Island, the residential and commercial master development by Reem Developers. Reem Island is planned to have a population of 200,000 at completion. ■

At A Glance

Dh4.4 billion

development value of the Reem Mall in Abu Dhabi

55,000

square metres ofconcretes were poured for the foundation works

2.9 million

square feet of gross floor area to be built at Reem Mall

Wasl targets Chinese investors

Wasl Asset Management Group presented its flagship Wasl1 project during the recent Luxury Property Showcase Beijing for an audience of over 7,000 wealthy Chinese investors looking to purchase overseas properties.

The event followed the successful launch of the first two towers (C and D) at wasl1, which saw wasl sell the vast majority of units in record time. The third tower (A) has now been released onto the freehold property market and was the focus of wasl's participation at the LPS Beijing, where the company's officials introduced investors to different options available.

The three towers are part of Park Gate Residences, phase 1 of the wasl1 project, which is the company's iconic parkside freehold master development in the heart of Dubai.

Zainab Mohammed, Chief Property Management and Marketing Officer at Wasl Properties, said: "Our participation at the LPS Beijing provided us with a valuable opportunity to reach out to Chinese buyers and introduce them to Park Gate Residences. We witnessed high demand among attendees at the show, supporting Dubai's vision to attract a new wave of Chinese investment by showcasing attractive offers and high-quality properties." ■

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