

The Wind FZ – LLC Launches 8 Office Floors in Wind Tower II

The Wind FZ-LLC launched eight storey office floors in the latest phase of Wind Tower II at the Jumeirah Lake Towers.

The offices, named Montagna, are divided into three types and reside between the 3rd and 10th floors of the building. Their sizes range between 400 sq. ft. and 650 sq. ft. and are priced between AED 400,000 and AED 570,000 respectively. They also integrate a modular design, which allows for possible amalgamation upon request. According to the Managing Director, Mrs. Faranak Assefnia, "The demand for offices, especially freehold, in Dubai is on the rise. We have had many customers enquiring about the availability of offices within Wind Tower II, and now we are proud to be able to announce this launch". She added "The same logic of wanting to own your property outright applies to offices too, as people prefer to have freehold offices rather than paying rent. I believe that freehold offices will be the next big thing on the Dubai property market".

The Wind FZ-LLC, a wholly owned subsidiary of Quest International Design and Property Development, is a project management company in Dubai.

Dubai re-sale market recovers

AME Info April 24 - 2005

Estate agents report a recovery in the Dubai secondary market for real estate which had been slow into 2005. Prices have also improved with some strong gains. Greens one-bedroom flats are up around \$13,000 to \$177,000, and Springs town houses are up some 15%.

Jumeirah Lake Towers plot re-sale warning

AME Info April 24 - 2005

Jumeirah Lake Towers land plots can not be re-sold or transferred to third parties for any reason whatsoever, according to a warning from developer Nakheel published in Gulf News. Nakheel said it would not be held responsible for parties entering such transactions.

The Wind FZ – LLC Launches Customer Service Department

The Wind FZ-LLC has announced that it is launching a dedicated Customer Service Department (CSD), which will take over all issues related to customer care, in a post-sale stage, to guarantee more comprehensive support for its customers, from the time of sales until the handover of the property.

The Vice President of Sales and Marketing stated: "We have been looking at various innovative possibilities to improve our services to customers. With the launch of CSD, which was created in line with feedback from many of our existing customers and a number of prospective buyers, we believe that we will be leaving the customer in good hands and that they will be made best aware of the overall sales process throughout all of its stages". The VP added "Property investors in Dubai have long been complaining that sometimes they have no idea what is going on with the status of their ownership and the projects that they have invested in, and we feel that we will address this qualm".

Faranak Assefnia, Managing Director said: "As a result of an increased interest in our projects and our commitment to unrivaled customer care, we are adding additional support personnel to satisfy our customers' requests in a timely manner". She added "This is just another step in our commitment to provide superior quality, customer service, and greater value".

Raffles International Comes to Dubai



AME Info April 25 – 2005

Singapore-based hotel chain Raffles International Ltd yesterday entered the Dubai market by signing a management contract with Dubai's diversified business conglomerate MKM Commercial Holdings.

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Following the deal, MKM Commercial Holdings will invest Dh513.8 million to develop a luxury hotel, Raffles Dubai, at Wafi City, a popular shopping and leisure destination in Dubai.

The hotel will be operated by Raffles International and the project will be financed by National Bank of Dubai.

The 240-room Raffles Dubai also marks the chain's entry into the Middle East market.

Raffles Hotels, one of the key properties in Singapore's hospitality industry, currently owns and manages 41 hotels in 35 countries.

It opened in 1887 in an old bungalow known as Beach House and was named after Sir Stamford Raffles, founder of modern Singapore.

Raffles International is the second Singapore-based hotel chain to enter the region following Banyan Tree's recent announcement to operate two new hotels in Dubai. One of them, a 50-villa resort, Banyan Tree Resort and Spa, will be located at Jumeirah Beach which is being developed by Dubai Properties.

Shaikh Mana Bin Khalifa Al Maktoum, chairman of MKM Commercial Holdings, said: "Raffles Dubai will add yet another luxury hospitality brand to the emirate's growing deluxe property portfolio and contribute to the fulfilment of the government's vision to establish Dubai as a major global tourism destination."

Designed by architects Arif and Bintoak, the hotel will be constructed by Khansaheb Civil Engineering. Site excavation work has begun and project managers Arif and Bintoak are currently awarding various phases of the development to sub-contractors.

Construction of the hotel, scheduled for completion in 2007, is expected to start next month.

Conceived in a signature pyramid shape, the 101-metre tall Raffles Dubai will be a prominent landmark when completed.

Its 240 rooms include 188 guestrooms, each spread across 60 square metres about 33 per cent larger than standard rooms 52 luxurious suites, nine food and beverage outlets, seven meeting rooms and a spa.

The hotel complex will also house 242,000 square feet of retail space spread over two floors consisting of 91 shops and a large department store as well as parking space for 1,000 vehicles.

Jennie Chua, chairman of Raffles International, said the hotel will primarily cater to leisure travellers.

"We are looking at a 80:20 mix between leisure and business visitors, with 20 per cent representing the business and corporate travellers," she said.

Raffles International is owned by Capitaland one of the largest listed property companies in Asia with international operations in 29 territories. RIL last week secured a management contract for a hotel in the Chinese capital Beijing.

Chua told Gulf News her company is committed to signing up for five new properties every year.

UAE: Malls spread on 1.12 million square metres



The UAE's shopping mall sector is expanding by covering an area of 1.12 million square metres, according to a study published by the Middle East Council of Shopping Centres.

Industry estimates show that the UAE with huge projects such as the Mall of Emirates, Dubailand, Mall of Arabia will govern the Gulf Shopping Mall Sector with investments of more than Dh25 billion by 2006.

City of Arabia to add special dimension to Dubai Land

Al Bawaba April 27 - 2005-04-27

Dubai dignitaries received a dramatic preview of another astonishing tourism and mixed-use real estate project at Dubai World Trade Centre. City of Arabia is the brainchild of developers Ilyas and Mustafa Galadari, with the guidance of Dubailand LLC.

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Occupying a site measuring 20 million square feet at Dubailand and valued at AED7.2 billion, the ambitious new development will feature a huge shopping mall, predicted to be the world's largest, and a breathtaking dinosaur theme park developed in collaboration with the Natural History Museum of London.

With the number of international visitors to Dubai projected to reach 15 million by 2010, City of Arabia is gearing up to be a must-see tourist attraction.

The Mall of Arabia, due to open in 2008, will have four levels, around 1,000 outlets, its own theatre, and enough parking for 10,000 cars. The size of the mall will be 10 million square feet GLA (gross leasable area) when completed, making it the world's biggest mall.

Outlets will be grouped according to type to make shopping easier, with all the best brands in luxury goods, household items, consumer electronics, children's toys, and much more available.

Designed on a circular grid, The Mall of Arabia will feature themed zones to guide shoppers through a cornucopia of shops, cafes, restaurants and entertainment outlets. A vast theatre-cum-auditorium will be the mall's jaw-dropping centerpiece, and a rooftop garden will serve as a tranquil retreat.

"The Mall of Arabia will be Dubai's first genuine shopping resort, a radical break away from conventional shopping centre retailing, and an exhilarating new leisure experience for every visitor," said Ilyas Galadari. "City of Arabia will be the largest private sector project in the Middle East, in the centre of the New Dubai district, and its realisation owes everything to the vision and ambition of Shaikh Mohammed bin Rashid Al Maktoum."

Opening its doors in 2008, Restless Planet will set a new standard for imaginative theme parks, with three rides, including a special 'dark ride', and more than 100 lifelike, actual size 'animatronic' dinosaurs.

Around 34 different species of dinosaur, designed with complete scientific accuracy, will be programmed to move, roar, and even walk. They can even track passengers with their eyes as they hurtle through a prehistoric world brought to life with astonishing digital sound and images.

Today's City of Arabia unveiling in Dubai welcomed Adam Sanders, Head of Marketing at London's Natural History Museum, which is collaborating in the development of the 0.5 million square foot, fully air-conditioned theme park.

A scientific exhibition featuring the fossil remains of real dinosaurs will also give an educational bent to the park, which takes its name from the BBC TV dinosaur documentary made with the Natural History Museum.

Mustafa Galadari said: "Industry experts estimate Dubai's retail business will be worth US\$50 billion in 2010, and projects like City of Arabia are driving this amazing growth. Millions of new tourists are heading to Dubai each year, and the quality of Dubai's shopping and entertainment are massive draws.

"City of Arabia is the perfect leisure destination, and it has much to offer Dubai's growing residential population too, which is anticipated to reach 2 million in the next five years."

The City of Arabia development will also incorporate apartments for more than 35,000 residents and office workers. There will be 34 tower blocks, between 30 and 60 storeys high, and a complex of five-storey apartments fronting onto a 4km canal.

The waterway will be lined with more shops, cafes and restaurants in a development called Wadi Walk, and a fleet of water taxis will connect the residential sites of City of Arabia with the mall and theme park. Dubai Light Railway will eventually bring visitors straight to City of Arabia from Dubai International Airport.

Three hotels are in the planning stage: a 400-room, five-star property built over the entrance to The Mall of Arabia; a boutique hotel on an island in the canal; and a 45-storey tower near Dubai's Emirates Road. Construction of the residential buildings will start in the summer. Ilyas & Mustafa Galadari has appointed Palmer and Turner of Hong Kong as overall project consultants for the City of Arabia development.

Restless Planet and The Mall of Arabia will open in the spring of 2008, while the residential and commercial projects will begin occupation by the end of 2007.

Editorial

Will Dubai's Real Estate Bubble Burst?

Khalil Hanware, Arab News



Construction is booming in Dubai but property prices may begin to decline over the next two years as the latest rush of building reaches completion.

Will Dubai's property bubble burst sooner than later? This is the question being asked as a real estate boom has spawned massive construction projects in the emirate which has witnessed an economic upswing in recent years.

The economy of Dubai, the Gulf's trade and tourism hub, grew a record 16.7 percent in 2004 on strong state spending, firm oil prices and a growing private sector.

"At current prices, Dubai's GDP recorded a phenomenal increase to 98.1 billion dirhams (\$26.7 billion) in 2004, up from 84.1 billion dirhams in 2003," Mohammed Ali Alabbar, head of Dubai Economic Department, said recently.

Alabbar said he expected the gross domestic product of Dubai to grow 10 percent in 2005.

Oil contribution to GDP grew 10.9 percent in 2004, but there was a 17 percent growth in the share of non-oil sectors that reduced dependence on oil to 6 percent in 2004 from 7 percent in the previous year.

The construction sector achieved the highest growth rate of 29 percent to 11.1 billion dirhams, while the real estate sector grew 22 percent and industry grew 16.6 percent. Dubai has dwindling oil reserves of its own. The government is spearheading an ambitious economic diversification program with real estate, trade and tourism the main drivers.

Construction is booming in Dubai but property prices may begin to decline over the next two years as the latest rush of building reaches completion.

At least \$50 billion of residential projects will be built in the next four years, including at least 85,000 new homes, according to research by EFG-Hermes, an Egyptian investment bank with offices in Dubai. "The real estate and construction sectors have become the centerpiece of Dubai's economy," EFG said in a research note recently.

Dubai has become a key venue for business and investment in the Gulf, with one of the most liberal business environments in the region.

Large real estate companies like Emaar Properties, Al-Nakheel, Al-Itihad, and Jumeirah, backed by the government have emerged in the recent past.

Emaar said recently it awarded a 2.7-billion-dirham (\$735.1 million) contract to a consortium to build a shopping mall it says will be the world's largest. Dutco Balfour Beatty-Al Ghandi & Consolidated Contractors International Company will build the 1.12-million-square-meter Dubai Mall.

The complex, expected to be completed by 2007, will include the world's largest gold market and will be flanked by an artificial lake and a residential facility. The company said it launched about 40 real estate projects in 2004. Dubai also launched in January its multibillion dollar Dubai Waterfront real estate project which will be open to private and foreign investors.

Dubai's state-run property firm Nakheel would remain the majority owner but would offer to investors 49 percent of the Dubai Waterfront Co. which is to develop the 8,100-hectare residential, tourism and commercial project. The project — which will include themed beachfront communities, canals and man-made islands — will be located on the emirate's coastline near the border with Abu Dhabi. Industry sources estimated that the development was more than 10 times the size of the \$3-billion Palm project.

EFG said freehold house prices had doubled over the past two years because only a fraction of homes under development had been completed, creating a short-term supply crunch.

But with many set for completion by the end of 2006, EFG said the market "is at the beginning of a phase of declining prices" and that prices may drop 20 percent in 2007.

Dubai's business-friendly policies and liberal lifestyle has lured companies such as Microsoft Corp., HSBC Holdings and DaimlerChrysler AG into setting up regional headquarters there.

The International Cricket Council (ICC) is also to abandon its home of 96 years at Lord's Cricket Ground in London and move to Dubai.

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Dubai is also betting on its exotic image to lure Indian, Arab and Western film productions to a tax-free studio complex.

The first stage of the Dubai Studio City will be up and running by the first quarter of 2006, with an initial government investment of 400 million dirhams (\$109 million) to build modern infrastructure at its desert location. In 2002, Dubai became the first Gulf Arab emirate to allow non-Gulf nationals to own real estate.

Daniel Hanna, an economist with Standard Chartered bank in Dubai, says the emirate's building boom is partly driven by high oil prices.

"What's different about this oil boom is that a greater portion of the money has been invested at home. With the stock markets relatively small a lot of money has gone into the real estate sector," says Hanna. He said investors from India, Pakistan, Iran, the United Kingdom and Russia have invested "billions of dollars" in Dubai's property sector.

Investors have been lured by Dubai's year-round sunshine, tax-free environment and state-led real estate projects.

These include three giant man-made Palm Islands reclaimed from the sea, one of which is the size of Manhattan, and Burj Dubai, the world's tallest tower. They will be completed between 2006 and 2009.

Dubai's Crown Prince Sheikh Mohammed ibn Rashed Al-Makhtoum has said foreigners can own property in designated zones, but a promised land law securing their property rights has not yet been approved. "It is a grey area," said Marwan Awad, a lawyer at the Dubai office of United Kingdom-based firm Trowers & Hamlin. "There is still no land registry system and freehold right to register the property in their own name. A Dubai land law has been promised - it seems likely it will be passed in the next year or two," he said.

Elaine Jones, managing director of Dubai-based Asteco Property consultancy, said speculators were the main home buyers in 2003 and 2004, but that there were now increasing numbers who buy to occupy, mainly European and Asian expatriates. Jones said supply shortages in the freehold sector had sent residential rents rising by around 20 percent in 2004, and office rents as much as 35 percent higher.

A moderate correction now was more likely than a crash in prices given Dubai's fast-growing economy and an influx of expatriate professionals.

Dubai's mainly expatriate population grew by 7 percent to 1.2 million in 2003, official statistics show.

Some analysts fear the greatest risk to Dubai's real estate market is not the risk of too many houses but too many houses of the wrong kind.

EFG warned of "a possible mismatch between the supply of luxurious units and demand" for affordable, mid-range homes.

Picture of the Week



The foundation works for the Wind Tower I's outdoor parking begins to take shape