

# IS IT THE RIGHT TIME TO BUY IN DUBAI?

PROPERTY TIME ASKS THIS CRUCIAL QUESTION TO INDUSTRY EXPERTS AND THIS IS WHAT THEY SAY.

Compiled by Mary Grace Antonio

## PAUL KELLY

*Operations Director,  
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It's a good time to ask the question as I'm just about to purchase a property! My decision to buy is indicative of where the property market in Dubai is at present. Currently 78% of our deals involve pre-approved, end user buyers, this is a fantastic sign of a healthy property market. If we look at my own thought process, I am well settled in Dubai and I see at least my mid-term future

here. I am currently renting and I would much rather be paying my mortgage and owning a home.

I am also lucky that I have the advantage of an inside track of what is happening on a daily basis in the property market. Currently, our new buyer registrations are higher than at any point over the last three years, our mortgage team is writing a huge

amount of business and we are increasingly seeing more than one buyer offering on properties. If we look to the off plan market, then all of the major developers continue to sell well, some selling out on the day of release. What this tells us that confidence amongst investors continues to be strong in Dubai. There are a lot of exciting things happening here, in the last few weeks we have had an Opera House and a theme park open. Looking to the future we have the canal, the creek, the expo, the new airport, more theme parks and much more to come. We continue to see population growth year on year as well as increasing numbers of holiday makers and transit passengers. The outlook is very good.

So I have to say yes, I do think that now is a sensible time to make an investment in Dubai.

## NIRAJ MASAND

*Director, Banke International*



The real estate market in 2016 is throwing open a lot of opportunities for investors and end users. However, not everyone has the courage to

enter at these times. You will see majority of the people enter once the markets move up in 2017. For the brave, it's a good opportunity to purchase. We can't predict if the prices will go down any further, but at these levels we are seeing a lot of value.

The Dubai residential market offers good long term growth opportunities and I feel that property investment will hold value if people invest with the objective of holding three to five years, as short term investments can catch you off guard. The Expo 2020 will have a positive impact on Dubai's economy specially the real estate market however the most direct benefit will be felt in the hospitality and tourism sector.

Nearly AED39 billion in investments is expected to be poured into the event, according to the Dubai Department of Tourism and Commerce Marketing, while Deutsche Bank has estimated AED158 billion will be required

to upgrade the emirate's infrastructure for the event.

With the growth in local and tourist population, coupled with the progress on the EXPO2020 event, Dubai will attract massive investment opportunities across various sectors of the economy which includes education, real estate, retail, hospitality and logistics sectors. Also the rental yield in the emirate are globally unrivalled, with gross rental yield for apartments ranging from 7 to 10% per annum compared to mere 2 to 3% in other global cities.

Mid-range and affordable housing projects are popular at this time, as developers are putting more emphasis on this segment and we see more choices as projects begin to be handed over. Attractive payment plans are also being offered to bring in buyers. With property prices getting cheaper as opposed to rents, tenants are looking at the option of buying than to rent.