

ASSET MANAGEMENT

SALES

LEASING

VALUATION & ADVISORY

SALES MANAGEMENT

OWNER ASSOCIATION

CITYSCAPE GLOBAL EDITION

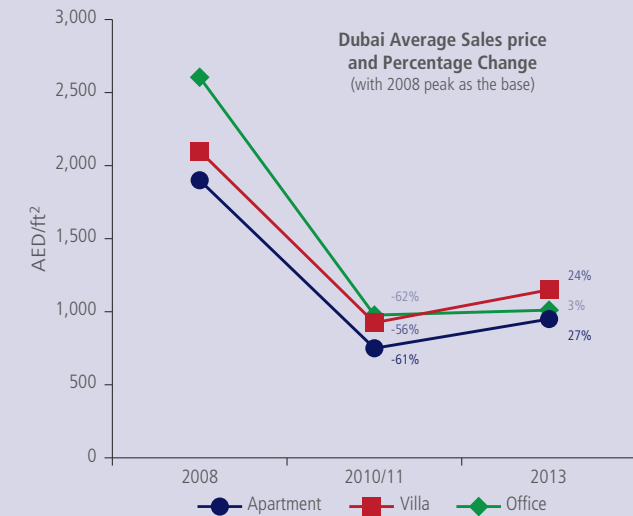
# DUBAI REPORT - Q3 2013

The UAE, and Dubai in particular, have experienced a resurgence in transactional activity across all sectors of the property market over the past 12 months.

The significant appreciation in values, both leasing and sales, has resulted in a number of new project launches and increased interest in off-plan properties. Outlined in this Cityscape Edition is a pricing analysis of the UAE property market, tracking its performance from the peak in 2008, to the trough in 2010/2011 to its current levels in Q3 2013.

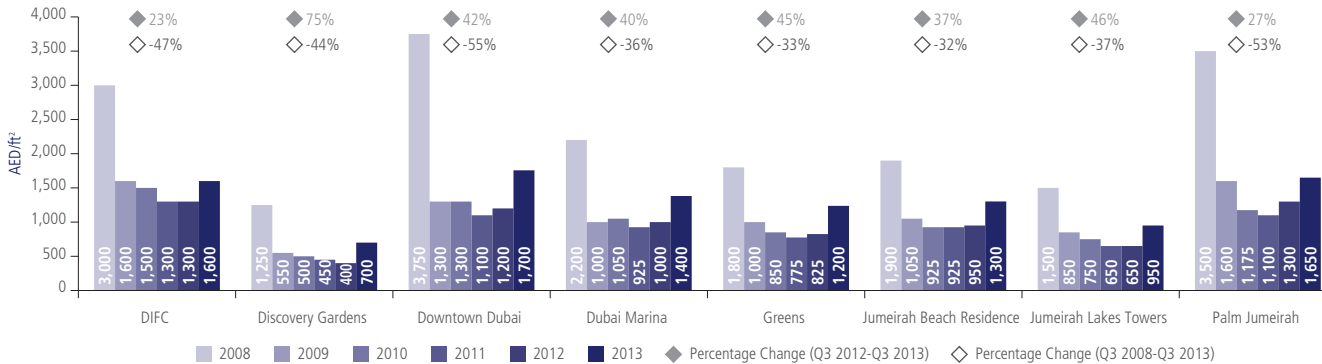
Key highlights and performance indicators underpinning this exceptional progress in the UAE are as follows:

- Strategic location and established trade links
- Quality of infrastructure
- Political stability
- Ease and transparency of doing business
- Buoyant and diversified economy
- Corporate and private tax structures
- Sound regulatory environment



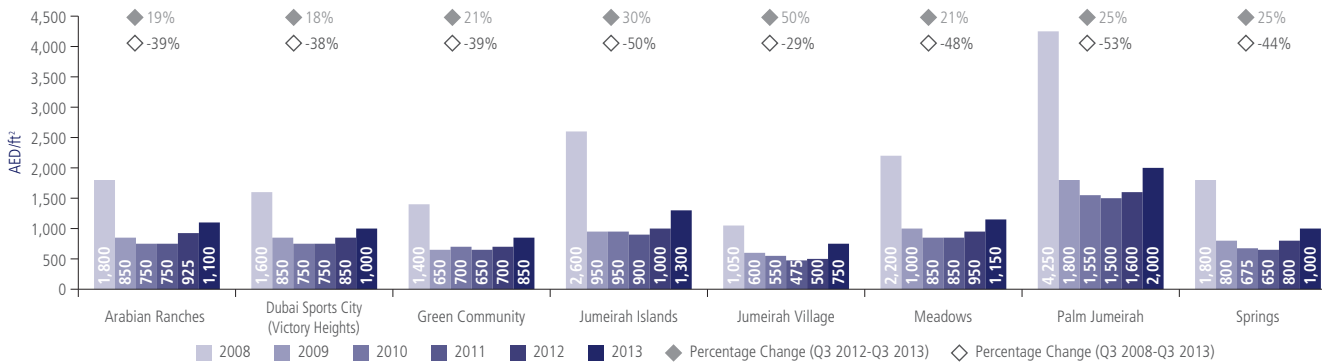
# DUBAI SALES

## APARTMENT SALES PRICES AND PERCENTAGE CHANGE

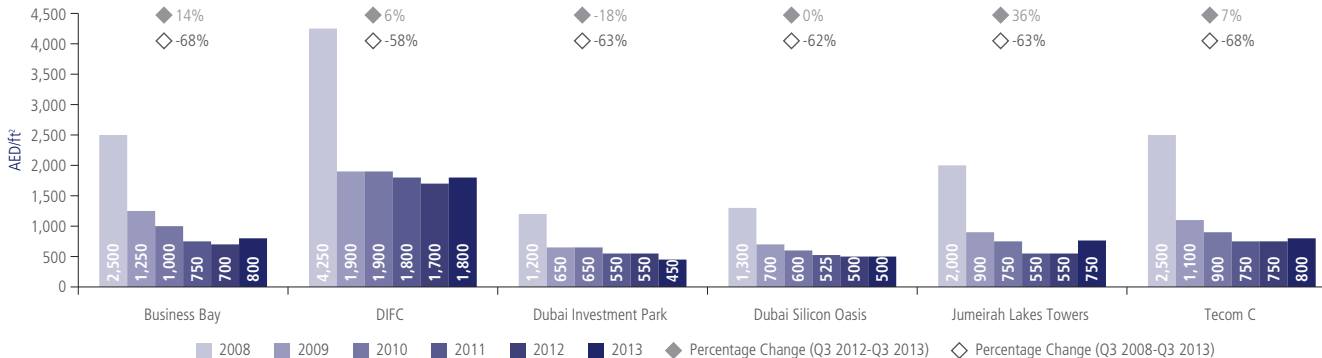


- Dubai apartment and villa sales prices have yet to reach the peak levels as seen in 2008 and are still -42% lower than in Q3 2008 while year on year growth amounted to 42% and 26% respectively.
- Asteco believes that although prices will increase further, they are unlikely to go back to the levels experienced during boom times in the short/medium term.
- While we have seen numerous project launches and increased interest in buying off-plan properties, projects with favourable payment plans in good locations saw the bulk of demand.
- Office sales prices, on the other hand, have seen little improvement over the last five years and are still -63% lower than in Q3 2008 while the last 12 months only saw minimal increases of 8% on average.

## VILLA SALES PRICES AND PERCENTAGE CHANGE



## OFFICE SALES PRICES AND PERCENTAGE CHANGE



## DUBAI LEASING

### APARTMENT RENTAL RATES AND PERCENTAGE CHANGE

DEVELOPMENT	Average Rental Rates (AED'000/pa)																		% Change	
	2008	2009	2010	2011	2012	2013	2008	2009	2010	2011	2012	2013	2008	2009	2010	2011	2012	2013	Q3 2012- Q3 2013	Q3 2008- Q3 2013
	1 BR						2 BR						3 BR							
Discovery Gardens	100	57.5	47.5	38	40	50	135	85	75	53	65	75	n/a	n/a	n/a	n/a	n/a	n/a	26	-47
Downtown Dubai	132.5	87.5	75	68	80	90	185	117.5	100	100	120	140	275	145	150	150	180	200	14	-25
Dubai Marina	130	82.5	62.5	62.5	70	80	180	110	92.5	80	90	112.5	245	147.5	125	115	125	150	25	-36
International City	70	40	32	24	23	32.5	92.5	62.5	41	38	38	50	n/a	n/a	n/a	n/a	n/a	n/a	35	-52
Jumeirah Beach Residence	115	90	75	70	75	85	167.5	125	100	90	95	115	202.5	147.5	125	110	120	145	19	-28
Jumeirah Lakes Towers	110	60	50	45	50	62.5	160	80	65	65	70	85	210	102.5	95	85	95	120	28	-41
Palm Jumeirah	200	120	90	90	90	110	227.5	150	120	120	130	160	300	215	170	170	180	200	19	-36
Sheikh Zayed Road	160	82.5	70	67.5	80	85	202.5	130	105	100	105	130	290	175	120	120	130	150	16	-40

### VILLA RENTAL RATES AND PERCENTAGE CHANGE

DEVELOPMENT	Average Rental Rates (AED'000/pa)																		% Change	
	2008	2009	2010	2011	2012	2013	2008	2009	2010	2011	2012	2013	2008	2009	2010	2011	2012	2013	Q3 2012- Q3 2013	Q3 2008- Q3 2013
	3 BR						4 BR						5 BR							
Arabian Ranches	275	140	125	125	145	175	335	185	160	160	210	250	425	265	250	250	275	290	17	-28
Green Community	310	190	170	170	190	220	385	210	190	190	210	230	392.5	240	220	210	235	265	13	-34
Jumeirah	325	160	140	140	155	180	400	190	165	160	185	220	450	225	210	200	220	260	15	-44
Jumeirah Islands	n/a	n/a	n/a	n/a	n/a	n/a	425	285	270	270	300	330	600	315	300	300	350	375	9	-30
Meadows	325	180	185	180	200	240	350	230	200	200	220	270	425	255	225	225	260	290	18	-27
Mirdif	240	100	85	80	90	120	260	120	110	105	115	145	275	165	125	125	140	170	31	-40
Palm Jumeirah	375	250	275	275	325	350	500	325	315	315	365	440	675	500	450	450	500	600	16	-10
Springs	250	125	110	105	125	165	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	34	-36

### OFFICE RENTAL RATES AND PERCENTAGE CHANGE

DEVELOPMENT	Average Rental Rates (AED/ft <sup>2</sup> /pa)						% Change	
	2008	2009	2010	2011	2012	2013	Q3 2012-Q3 2013	Q3 2008-Q3 2013
Bur Dubai	375	150	115	90	80	95	19	-75
Business Bay	n/a	n/a	n/a	75	70	95	36	n/a
DIFC	525	370	295	220	220	225	2	-57
Dubai Internet City	360	170	135	125	115	160	39	-56
Dubai Investment Park	205	95	50	40	40	60	50	-71
Jumeirah Lakes Towers	280	100	75	50	50	105	110	-63
Sheikh Zayed Road	450	215	160	140	140	150	7	-67
Tecom C	360	105	85	60	55	100	82	-72

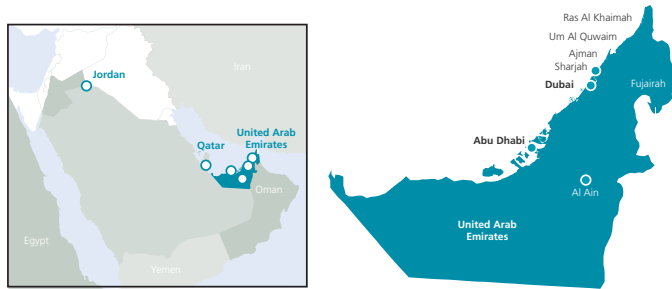
- Similar to the sales market, apartment and villa rents are below Q3 2008 levels by -38 and -31% respectively.
- However, recovery is well under way with a year on year growth of 23% for apartments and 19% for villas.
- Asteco expects rental growth to continue as economic improvements fuel internal demand as well as result in new arrivals.
- Revival in the office market is slower compared to residential and rates are still -66% lower than in Q3 2008 but rose 43% over the previous year.

ASSET MANAGEMENT	SALES	LEASING
VALUATION & ADVISORY	SALES MANAGEMENT	OWNER ASSOCIATION

With 28 years of Middle east experience, Asteco's Valuation & Advisory Services team brings together a group of the Gulf's leading real estate experts.

Asteco's network of offices in Abu Dhabi, Al Ain, Dubai, Northern Emirates, Qatar and Jordan not only provides a deep understanding of the local markets but also enables us to undertake large instructions where we can quickly apply resources to meet clients requirements.

Our breadth of experience across all the main property sectors is underpinned by our sales, leasing and investment teams transacting in the market and a wealth of research that supports our decision making.



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## VALUATION & ADVISORY

Our professional advisory services are conducted by suitably qualified personnel all of whom have had extensive real estate experience within the Middle East and internationally.

Our valuations are carried out in accordance with the Royal Institution of Chartered Surveyors (RICS) and International Valuation Standards (IVS) and are undertaken by appropriately qualified valuers with extensive local experience.

The Professional Services Asteco conducts throughout the region include:

- **Consultancy and Advisory Services**
- **Market Research**
- **Valuation Services**

## SALES

Asteco has established a large regional property sales division with representatives based in the UAE, Qatar and Jordan. Our sales teams have extensive experience in the negotiation and sale of a variety of assets.

## LEASING

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

## ASSET MANAGEMENT

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

## OWNER ASSOCIATION

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

## SALES MANAGEMENT

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

**DISCLAIMER:** The information contained in this report has been obtained from and is based upon sources that Asteco Property Management believes to be reliable, however, no warranty or representation, expressed or implied, is made to the accuracy or completeness of the information contained herein, and same is submitted subject to errors, omissions, change of price, rental or other conditions, withdrawal without notice, and to any special listing conditions imposed by our principals. Asteco Property Management will not be held responsible for any third-party contributions. All opinions and estimates included in this report constitute Asteco Property Management's judgment, as of the date of this report and are subject to change without notice. Figures contained in this report are derived from a basket of locations highlighted in this report and therefore represent a snapshot of the Dubai market. Due care and attention has been used in the preparation of forecast information. However, actual results may vary from forecasts and any variation may be materially positive or negative. Forecasts, by their very nature, involve risk and uncertainty because they relate to future events and circumstances which are beyond Asteco Property Management's control. For a full in-depth study of the market, please contact Asteco Property Management's research team. Asteco Property Management LLC. Commercial Licence No. 218551. Paid-up Capital AED4,000,000.