



THE OFFICIAL SHOW DAILY  
**CITYSCAPE**  
 ABU DHABI

www.cityscape-magazine.com



19 22 APRIL 2009

CONTENTS

- 07 Cityscape:** welcome  
World's largest B2B investment and development showcase returns to Abu Dhabi
- 08 Industry:** exhibitor news  
Latest updates from the show floor and key market destinations
- 14 Event:** golf tournament  
Third annual golf competition round-up
- 16 Industry:** exhibitor news  
Latest updates from the show floor and key market destinations
- 18 Preview:** awards  
Profiles of the 2009 candidate shortlist
- 20 Line-up:** conference  
Analysis and debate of the industry's hot topics
- 23 Insight:** speaker profiles  
Leading industry experts share their market insight
- 26 Region:** UAE focus  
Evaluating the health of the GCC's mega projects
- 27 Viewpoint:** investors  
Results of the Jones Lang LaSalle 2009 Investor Sentiment Survey

“

THIS IS THE OPTIMUM TIME TO ATTEND CITYSCAPE, NOT ONLY FOR NETWORKING AND BUSINESS OPPORTUNITIES, BUT TO GET A HANDLE ON THE PULSE OF THE INDUSTRY IN ONE OF THE WORLD'S MOST IMPORTANT REGIONS

Guy Perry  
IN-VI Investment Vision, Brazil



The shape of things to come

As the definitive barometer for the real estate industry, the third annual Cityscape Abu Dhabi exhibition and conference opens its doors onto a dramatically different economic landscape this year as its key players come together to shape the region's investment and development future

All eyes are on Abu Dhabi this week as Cityscape returns to the UAE capital for its third annual outing. And 12 months on from the successes of the 2008 exhibition and conference, the realities of the regional real estate industry will see more than 200 exhibitors come together under a uniquely challenging set of circumstances.

Held once again under the patronage of His Highness General Sheikh Mohamed bin Zayed Al Nahyan, Crown Prince of Abu Dhabi and Deputy Supreme Commander of the UAE Armed Forces, the four-day event opens onto a development landscape that is startlingly different for both established and emerging markets around the globe.

Event organiser IIR Middle East confirmed that, despite the economic slowdown and corrections to global property prices, industry enthusiasm for the first Cityscape event of 2009 remains un-dampened. "We are delighted to be welcoming back over 95 percent of last year's exhibitors as supporters and sponsors, who represent the key players in the investment and development world. Demand for event floor space is up 35 percent on last year and this only serves to underscore industry confidence in the event," said Cityscape managing director Rohan Marwaha.

The heavyweights of the region's multi-billion dollar development industry are also resolutely upbeat on the future prospects for the market. Fardan Al Fardan, chairman of Al Rayan Investment Company, said: "The Gulf region has a lot of very strong aspects within its economic make-up that create a compelling case for its recovery to be swifter than other regions. The biggest issue is liquidity, and recent efforts by the federal governments show that this region has the cash buying power to alleviate economic pressures and invigorate inter-bank lending."

Khalid Faisal Al Al-Mutawa, chairman of Dar Al-Dhabi Holding, added: "The Abu Dhabi property market was never founded on hype. The market grew out of a supply and demand imbalance and the expected growth of the city is in line with Plan 2030." Similar sentiments were echoed by Gurjit Singh, chief property development officer for Sorouh Real Estate. "Abu Dhabi has been one of the world's fastest-growing and most dynamic economies over recent years, and even in the current global environment it has strong market fundamentals which will continue to have a latent potential for the real estate market," he said.

Cityscape's positioning as a unique business networking platform has even more relevance this year, with

more than 100 eminent regional and international speakers taking to the floor as part of a newly-configured conference programme designed to stimulate lively in-depth discussion across a range of pertinent issues.

Commenting on this year's expected hot topics, Peter Wilding, deputy CEO, Capitala, said: "Obviously, the focus of everyone's attention will be the current global financial situation and the impact it is having on the region, as well as world-class, affordable, sustainable, green building concepts and developments."

The issue of available funding is also high on the debate list, according to Naser Ali Al-Attar, CEO of Kuwait's Mayadeen. "Lack of liquidity, where developers are finding it difficult to secure funding for both project financing and end-user finance, is a hot topic, and profitability and lack of investor confidence are also current key challenges," he said.

Summing up the excitement surrounding this year's event, Roger Ghanem, managing director, Graham Jones Al Ewan Architectural Consultants, remarked: "Everyone is going to be interested to see the general impression in the market and to try to work out where things are heading in the future. This year may be one of the most important Cityscape events Abu Dhabi has ever seen."

Third annual golf tournament tees off

Cityscape scorecard gets top marks with networking event

Charles Armestad and Stephen De Stadler led the victory celebrations yesterday as winners of the third annual Cityscape Abu Dhabi Golf Classic.

Held once again at the prestigious Abu Dhabi National Golf course, the Meedar Real Estate-sponsored tournament was a win-win situation for all participants. The golfing action was capped by warm sunshine, excellent networking opportunities and a gala dinner conclusion.

Over 120 leading real estate industry professionals competed, in two-player teams, for the top spot as the 2009 Cityscape Abu Dhabi Golf Classic champions.

The hotly contested competition is a pre-show highlight, and on-course camaraderie was high, with a great atmosphere through to the 18<sup>th</sup> hole – despite the loss of several balls and a few scuffed shots.

The afternoon gave all participants a chance to relax ahead of the start of four days of intensive business and networking at Cityscape Abu Dhabi.

Along with the main competition, several mini-tournaments and light-hearted games complemented the afternoon's packed agenda. For a full rundown of the event and winner results, see page 14.



SEA AND SPA HOTSPOTS

IN VI TO SHOWCASE BRAZIL AND SLOVAKIA

The multi-appeal of diverse destinations is being highlighted by IN-VI Investment Vision with two projects in South America and Eastern Europe.

"We will highlight projects in Brazil and Slovakia. In Brazil we are presenting a new coastal residential district adjacent to the capital of the state of Sergipe. In Slovakia we will highlight a new thermal spa concept called Aqua Thetis, and the development of a new ecologically-oriented mixed-use development district between Bratislava and Vienna," said president and founder, Guy Perry.

IN-VI's presence at Cityscape Abu Dhabi is with the aim of maximising on networking opportunities and to get "a handle on the pulse of the industry in one of the world's most important regions."

Perry added: "We believe that many investor/developers share our point of view – that times of crisis are precisely the right time to move ahead with carefully thought-out projects in certain markets. The global economic crisis has meant that we are focusing on unique projects – these projects are much less affected by the downturn."

IN-VI believes that emerging markets like Brazil are low risk and offer outstanding value in today's economic climate. The Central European growth prospects for Slovakia is also a key factor along with the stability of the Euro zone.

"However, financing is the key issue in the short-term and confidence is also a serious issue that may hamper even the rapid development of quality projects. I have seen crises in Houston in the 80s, Tokyo at the beginning of the 90s and London in the mid 90s. People tend to have short memories. When plans for development are overly confident and optimistic, shortly thereafter there is always a cooling-off period – I have never seen an exception to this," concluded Perry.

STAND 8C40

Live in a breathtaking destination.

عين القادسية  
Ain Al Fayda

T +971 2 414 8888  
www.alqudrare.ae

الشركة العقارية  
AL QUDRA REAL ESTATE  
A subsidiary of Al Qudra Holding





THE OFFICIAL SHOW DAILY

# CITYSCAPE

## ABU DHABI

www.cityscape-magazine.com



19-22 APRIL, 2009

## CONTENTS

- 07 Cityscape:** welcome  
Insight into the week's networking and social events
- 08 Industry:** exhibitor news  
Latest updates from the show floor and key market destinations
- 16 Insight:** speaker profiles  
Leading industry experts share their market insights
- 18 Line-up:** conference  
Analysis and debate on the industry's hot topics
- 21 Comment:** day two  
Round-up of the action from the show floor
- 22 Region:** Qatar/Kuwait focus  
Evaluating the health of the GCC's mega projects
- 23 Viewpoint:** Herron Todd White  
Setting the value chain in motion



Interacting with mass transit: Department of Transport stand

## Waving the green flag

Sustainability professionals reinforce Plan 2030 vision and debate the key challenges and opportunities keeping the green agenda front of mind

The emirate's commitment to sustainable development as part of Abu Dhabi Plan 2030 came under the spotlight yesterday as leaders in the environmental field spoke at day two of the Real Estate Finance & Investment Conference, on the subject of whether demand for green projects was still topping the regional development agenda.

Daniel Hajjar, VP and Gulf regional manager for HOK, said that the onus was on regional governments to pass legislation to support sustainable practices, while Jo Pestel, safety, health and environmental consultant for EC Harris in Abu Dhabi said that for some, the credit crunch was being used as a convenient "excuse" to place green initiatives on the back burner.

"In Abu Dhabi, the new guidelines being set in line with the objectives of Plan 2030, will have a huge effect on standards of construction," she added.

Doug Kelbaugh, executive director design and planning for Dubai-based master developer Limitless, echoed the comments of his fellow panelists, calling for the implementation of dynamic measures. "The built environment accounts for 50 percent of the energy pie and is the biggest consumer of electricity, and producer of half the world's greenhouse gases – more than industry and transportation. We need education, awareness and legislation but these issues can't be solved in one generation," he said.

Former ecologist turned development professional Richard Kingston, Middle East operations

director, Cyril Sweett, also picked up on the importance of the education process, but noted the need for an end-user driven approach in order to translate back the potential ROI benefits to developers/investors.

According to Mike Cairney, partner, EC Harris, the importance of support at the very highest level of government is critical to the future of the regional sustainability movement. "Developers are going to open up their eyes to this, and support what their political leaders are saying. At the client feasibility stage they are already asking us the right questions," he remarked.

The panel's consensus on the way forward for sustainability in the current economic climate centered on the development of mixed-use communities. "One building does not make a sustainable community," commented Hajjar. Limitless' Kelbaugh agreed, adding: "By constructing buildings that are 10 percent smaller, we can save money to invest in environmental technologies and strategies."

Looking to the future, Hajjar referenced the use of taxation and incentives in other emerging and mature markets as a prime vehicle to stimulate change. "The Gulf market has not yet developed to a level where you have the carrot and stick approach to sustainability. It's not on the table yet, however I do believe that this will happen here."

Summing up sentiment on the part of the sustainability community, EC Harris' Cairney listed cost in

use and proactive maintenance among current challenges, while his colleague Jo Pestel reiterated the need for sustainable measures to be mandated for pipeline projects.

Richard Kingston was more blunt. "We need to look at ourselves first, as we are part of the problem. Sustainable technology is complex, there's a lot of design involved, it takes time to develop – and this leads to a natural resistance from within the industry."

Kelbaugh also pushed home the point that density alone is not enough to merit a sustainable tag. "Cities that have survived through time have all been mixed-use. Specialised cities simply do not work," he said.

"We need to retrofit existing areas dedicated to specialised land use and mix it up, make them less pure, in order to make them sustainable."

In a separate panel session, Gurjit Singh, chief property development officer, Sorouh, underlined the importance of continuing green practices after the design and construction stages. "It is important not to isolate sustainability efforts in the construction and design stages – the management and occupants of a building need to understand the philosophy of sustainability. At the end of the day, you don't need a green building to carry out green management.

"By adopting sustainable practice, not just in terms of construction and design, you are helping to lower operating costs, which are passed to the occupants."

## GCC sees shift in market dynamic

Colliers International report released this week

Colliers International's GCC Overview Report, released at Cityscape, has identified a fundamental change to the regional market dynamic with professional investors becoming the dominant drivers of transactional activity.

Explaining the contraction in Gulf real estate markets Ian Albert, regional director Colliers International, said: "In the last six months we have witnessed the switch from speculators to end-users and occupiers, and now to professional investors as the main type of purchaser in these markets. The consequence is the increasing importance of investor yield in the market place."

The report's findings indicate that the extent of the impact of the global crisis is primarily dependent on each market's exposure to global economic drivers and the level of speculation that occurred prior to the price peak last year.

Colliers' analysis concludes that while the price/yield gap remains a dominant issue in Gulf markets, the establishment of price stability for real estate assets remains a long term probability. **STAND 2E40**



IN ABU DHABI, THE NEW GUIDELINES BEING SET IN LINE WITH THE OBJECTIVES OF PLAN 2030, WILL HAVE A HUGE EFFECT ON STANDARDS OF CONSTRUCTION

Jo Pestel  
EC Harris

Live in a breathtaking destination.

AL QUDRA REAL ESTATE  
A subsidiary of Al Qudra Holding

عين القايضة  
Ain Al Fayda

T +971 2 414 8888  
www.alqudrare.ae

## Investor

### Q&A

**Guy Perry,**  
President and Founder  
IN-VI Investment Vision, Brazil

#### How has the global economic crisis impacted your strategic direction?

The global economic crisis has meant that we are focusing on unique projects. These projects are much less affected by the downturn. Those in the business of building just based on square metres may find 2009 a rough ride.

#### Are emerging markets still an attractive option for global investors?

Emerging markets like Brazil are low risk and offer outstanding value right now. Slovakia has the privilege of Central European growth coupled with the stability of being in the Euro zone.

#### What are the major challenges for the industry in the short to mid-term?

Financing is the key issue, as well as confidence, as this may hamper the rapid development of even quality projects.

#### What lessons do you think the industry will learn from this experience?

I have seen crises in Houston in the 80s, Tokyo at the beginning of the 90s and London in the mid 90s. People tend to have short memories. When plans for development are overly confident and optimistic, shortly thereafter is always a cooling off period – I have never seen an exception to this. We will see more caution and reason for the next five years or so.

#### Do global investors look to regions where fiscal stimuli are being initiated as good indicators of potentially sound future investment opportunities/markets?

Fiscal stimuli can be helpful to attract opportunists, but they will never replace a sound market and stable transparent government in the long-term.

#### Is there any particular government legislation that you believe could jump-start market confidence?

Transparency and the support of best development and community building practices are what make good long-term value. Governments need to support these approaches, but need the wherewithal to assist the coherent implementation of these practices on a country-wide scale.

#### Is it more important than ever to network with your peers at Cityscape events?

This is the optimum time to attend Cityscape, not only for networking and opportunities but to get a handle on the pulse of the industry in one of the world's most important regions.

#### What are your expectations from this year's event?

We wish to attract partners to our projects in Brazil and Slovakia. We believe that many investor/developers share our point of view – that times of crisis are precisely the right time to move ahead with carefully thought-out projects in certain markets.