

Property

WEDNESDAY | JULY 22, 2015

London calling for Damac

Dubai developer makes first international foray outside the Middle East with luxury residential tower, writes *Deepthi Nair*



Aykon Nine Elms is located in a regeneration area adjacent to Battersea in southwest London.

£500m

development cost of Damac's residential tower in London

BRAND ASSOCIATIONS are commonplace in the premium end of Dubai's property spectrum. Leading global brands in the industries of fashion and design have partnered with local developers on ultra luxury projects.

Luxury real estate developer Damac has been a pioneer in partnering with recognisable brands such as Versace, Fendi, The Trump Organisation, Paramount Hotels & Resorts and Tiger Woods Design to launch exclusive projects in the UAE and the wider Middle East.

In its first foray outside the Middle East, Damac, through its international arm Dico UK Property Holdings, launched Aykon Nine Elms, a 50-storey, 360-unit project with interior designs by Italian fashion brand Versace, in London on Monday.

Amenities will include a gymnasium, indoor swimming pool and spa, children's play area, roof garden and cinema. The lobby, amenities and interiors for each property will be designed and fitted out by Versace Home.

Offering a mix of penthouses, three-, two-, one-bedroom and studio units with views of the City, the River Thames, Palace of Westminster and the London Eye, the £500 million tower is due for completion in 2020. It will be funded through own equity, project finance and off-plan sales, said Damac executives.

"The prices of the apartments start from £690,000 (Dh3.4 million), with the two- and three-bedroom apartments varying between £2 million and £3 million, depending on the size and position of each," said Niall McLoughlin, senior vice-president at Damac Properties.

Aykon Nine Elms is located in a regeneration area adjacent to Battersea in southwest London. Battersea was until recently wasteland. It is currently the biggest building site in London, and one of the largest regeneration projects in Europe, worth £1.5 billion.

The area will soon host the US and Dutch embassies. It is 15 minutes from central London and will benefit from two new Tube stations.

While JLL and Hamptons are handling Aykon unit sales in London, the project will also be pitched to investors in Singapore, Hong Kong and China this week, in addition to several other markets, McLoughlin said.

Damac expects buyer interest from London and across the UK.

"We also see investment from the Middle East, China, Hong Kong and Singapore. Aykon Nine Elms will appeal to a wide spectrum of buyers, regardless of their geographical presence. However, we would not be surprised if buyers in this project will reflect more or less the same profiles and nationalities seen in other real estate developments in London," McLoughlin added.

Meanwhile, Gian Giacomo Ferraris, chief executive of Versace, said: "Versace is synonymous with fashion and luxury and its participation in the real estate business provides the opportunity to experience the Versace lifestyle. In recent years, private residential projects have become a strategic part of the Versace world."

Damac's earlier collaborations with Versace include a tower in Jeddah and one in Beirut, Lebanon, which is due for completion by the year end.

Damac's international business development team is also on the lookout for potential development opportunities globally. "We are constantly looking for the right land at the right price in the right location," McLoughlin concluded.



We see investment from the Middle East, China, Hong Kong and Singapore

Niall McLoughlin,
Senior vice-president at
Damac Properties

—deepthi@khaleejtimes.com

Right time to invest in Indian property is now



OPINION /
LANSEL D'SOUZA

THE INDIAN real estate industry is expected to grow to approximately \$140 billion by FY'17, according to advisory firm Ernst & Young and the Federation of Indian Chambers of Commerce and Industry (FICCI). With the recent interest rate cuts and government initiatives such as smart cities and affordable housing, the sector looks promising for NRI investors.

An NRI (non-resident Indian) or PIO (person of Indian origin) can invest in both residential as well as commercial property in India, without any restrictions on the number of properties purchased. However, a clear understating of regulations regarding NRI investment in real estate can go a long way in making the right decision.

While NRIs and PIOs can purchase residential and commercial properties in India, ownership of agricultural or farm land is possible only in cases where the same is inherited.

If you are thinking of getting a loan to purchase a property, there are many lenders who would be happy to fund you, provided you are eligible. Your education and professional qualifications play a vital role in deciding your loan eligibility. But before making a decision, a lawyer should check the property documents. The title deed, no due certificate from the seller and a bank release, in case it was under mortgage, are a few of the important documents you should possess.

In case you are planning to construct a house after purchasing land, have the land's title deed and ensure that the builder concerned has taken all the approvals and permits from civic authorities. This property can also be held jointly with another NRI.

According to Reserve Bank of India (RBI) norms, a maximum of 80 per cent of the value of property can be funded by a financial institution. The rest has to come from the buyer's personal resources. Repayment will need to be done through inward remittances. If you rent your property, you can use the rent to repay the loan.

If an NRI decides to sell the property, the buyer will be liable to deduct 20 per cent TDS (Tax Deducted at Source). In case the property is sold before three years from the date of purchase, a TDS of 30 per cent shall be applicable.

In accordance with Foreign Exchange Management Act (FEMA) rules, an NRI can sell his/her residential or commercial property to anyone. However, they can sell their inherited farm land or agricultural land only to Indian residents.

It is interesting to note that NRIs are eligible to apply for repatriation of income for all the years from 1996-'97 onwards. They are eligible to remit an amount upto \$1 million per financial year from sale of such properties. However, if the amount of sales proceeds exceeds \$1 million, repatriation can only be done by obtaining special permission from the RBI.

The tax benefits for NRIs are similar to resident Indians. The rent received from a property will come under 'income from the property' category and the same percentage of deduction will be applicable. The person is also liable to pay tax in the country they are residing, unless he is residing in a country that has double tax avoidance agreement (DTAA) with India. India has DTAA with over 80 countries, including United States, Canada and the UAE, among others.

The interest paid towards a loan will be exempted from the tax slab in case of NRIs. NRIs are required to pay a withholding TDS at the rate of one per cent if they buy property worth more than Rs5 million. Recently, the wealth tax has been abolished.

A clear understanding of rules is essential to make the investment process smooth and secure. If you decide to take help from a developer to ensure all the regulations are adhered to, focus on the company's market credentials and reputation. It will be beneficial to work with a developer who has experience working with NRI clients and understand their needs. This will enable the developer to provide personalised advice and ensure that your investments are safe and hassle-free.

The author is senior vice-president, Expat Projects and Development Pvt. Ltd. Views expressed are his own and do not reflect the newspaper's policy.



Staff Report

COMMUNITY FACILITIES in Sharjah for residents are in focus at the Tilal City project as 45 per cent of the development is dedicated to green spaces, education, retail, leisure areas, jogging and bicycle tracks, as well as six mosques.

Tilal Properties, a joint venture between Sharjah Asset Management and Eskan Real Estate Development, on Tuesday announced that 11 education facilities, including schools and early development centres for children, will be set up at the Dh2.4 billion project. There will be a number of mixed-use facilities to cater to all the needs of the community, which would also include healthcare facilities and civil defence stations.

"In order to create this first-of-its-kind development in Sharjah, we carried out in-depth analysis into regional communities and industries to understand buyers' requirements. The research showed that there is a huge demand for community facilities and amenities," said Haysam Jazairi, business development executive director at Tilal Properties.

"We introduced the tactical split of retail and commercial versus residential properties in the city, which is a unique element of the masterplan," he added.

The scheme, designed by UAE-based architects Khatib & Alami, includes 1,855 plots of land offering UAE residents an opportunity to buy or lease land and develop properties and mixed-use facilities.

According to the masterplan, the

heart of the project will be occupied by an upscale mall, surrounded by a central garden connecting the whole development and providing green public spaces lined with shops, restaurants and cafes.

The development allows investors to build for sale, leasing and personal use. Non-Arab expats can purchase land plots on a 100-year leasehold basis within the scheme, with free-

hold land plots available for GCC nationals and UAE's Arab residents. Landowners will not be charged any community fees.

"We are confident that the strategic masterplan will ensure huge demand — both rental and sale — and deliver high returns to land investors in Tilal City," Jazairi said.

Khatib & Alami architects said that close collaboration with the developer and the Sharjah City Municipality was a key factor in the design process, which took a year-and-a-half to complete.

"Working closely with Tilal Properties and Sharjah City Municipality, we were able to create the layout for a mixed-use development that is set to transform the real estate sector in the emirate," said a Khatib & Alami spokesperson.

—muzaffarizvi@khaleejtimes.com

1,855

plots offered for sale in the development