

# Q4 Viewpoint



## Home is where the affordable market is..

The topic of housing is on the agenda of governments across the world. Supply is simply not keeping up with demand. But the reasons and responses to the dilemma are very different from each other.

**In any modern, urban environment, the sheer volume of people wanting to rent or buy a property is on the rise.**

In Dubai, the deemed luxury market has, until now, fostered the growth of high-end developments. When the region opened up the market back in 2002, foreign investors were attracted to the superlatives that the city had to offer. Now there is a growing demographic of long-term ex-pat settlers and recent habitants, the need for a more stable, affordable market is apparent. This gap may have been a contributing factor to the city's efforts in being, as yet, unable to genuinely achieve its sustainable objectives and deliver on its vision of being a smart city.\*

But resolution is on the horizon as developments take into consideration a multiple stakeholder approach and prioritise the creation of communities that perform at a social and environmental level, not just economic. For example, we are currently working with RAZA on one of their prime real estate developments in Jeddah and collectively the team in the region have worked on affordable housing projects for clients including Emaar, DP, Sobha and Jumeirah Golf Estates.

Building for long-term use and planning for 'all' the people of the city is paramount to a flourishing cityscape. Singapore is cited as one such success story.



Jumeirah Golf Estates, Dubai.

In their urban planning, they place importance on four main criteria. Firstly, the notion of neighbourhoods is key to nurturing social interaction and cohesion. So mixed use encourages mixed communities. Secondly, use of space is clever and considered. It is carefully and smartly managed to avoid density and overpopulation, even ensuring allowances of open green space. With that, developments are always treated with an integrated approach to promote efficiencies and a streamlined process end to end and beyond. Finally, there must be in place governmental commitments with long-term intentions. As a result, today, 80% of Singaporeans live in a government built apartment. There are about one million Housing and Development Board (HDB) apartments, largely clustered in 23 self-contained new towns that extend around the city's coastal core.

Understandably, not every city has the capacity to do this (quite literally). Low-income families are struggling in Istanbul for example. Businesses including our client – NEF, a local developer – have identified the opportunity to create communities through their co-living venture. Yet to be launched, the anticipation is to follow suit with their current developers where design and innovation are combined to not only address affordable housing in the country, but to do it without compromising on quality and experience. Another example is Country Group in Bangkok who plan and develop with people at the centre of their philosophy.

By putting residents at the heart of the development, as well as working smartly with architects and interiors to solve the physical living experience, branding is a key component to differentiation within the market and allows for clear, confident story-telling that emotionally engages the multilayer of audience. Whether they be young professionals, growing families or retirees looking to downsize, less becomes more when it comes to living life to the fullest.

\*Source - World Economic Forum, Mahmoud Hesham El Burai, also chairman of the Middle East Sustainable Development Institute.

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RAZA, Jeddah.

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