

PROPERTY OWNERSHIP



Have your cake

* Wish you could buy your Arabian dream home but unsure if you'll be able to sell it? What if you could keep your UAE property and lease it out while you live at home? Sutton Turner explains how. words: Laura Fulton, images: Silvia Baron

Considering all the reasons that expatriates tend to stay in the UAE short term – mandatory retirement, short contracts, homesickness – it's no wonder that many are reluctant to buy real estate. A property is only worth what you can sell it for, after all, and while you might be able to wait out a slump at home, there's no guarantee you'll find the right buyer if your time in the UAE meets an unexpectedly sudden end. While many dream about

keeping their UAE property to lease out after they've returned home, it's too much hassle to manage a property from overseas, right? What if it was as easy as checking your bank account balance? Now it can be. Abu Dhabi's first Emirati owned and operated services management company, Khidmah has combined all property management services under a single point of contact. Currently Khidmah oversees properties on Abu Dhabi's main island in

Khalidiya Village and Khalidiya Corniche Tower, off the island in Sas Al Nakhl Village and Golf Gardens, in Al Reem Island's upcoming Sun and Sky Towers, Dubai's Lake Shore Tower and Al Ain's Al Oyoum Village. "We're a one-stop shop, covering all areas of property management, from design and development consulting, leasing and resale to maintaining all of a property's facilities and buildings, security, staffing, cleaning, landscaping, maintaining health and

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fitness centres – the works," says Khidmah CEO Sutton Turner. "As soon as we hand over a property, we set up a management agreement on behalf of the owner and we take care of everything from there on out. "Our call centre has been managing over 650 calls every week. All of our properties are included on one database, so when a call comes in we just enter the flat or villa number and the name of the compound or villa and we can put in the work order right there online. We can do all the outdoor maintenance and landscaping for a villa with a swimming pool for Dh750 per month and the figure drops to Dh500 if there's no pool. "At the moment, we're trying to make it possible for clients to make payments by credit card. That way if an air-conditioning unit went out, for example, and you needed

to replace it, you could pay with your credit card rather than having to wire money." Sutton views a well-developed property management sector as a factor that could attract foreign investors. "Buyers would consider effective maintenance services to be a plus. However, realistically speaking, this is a relatively small factor in end users' decisions to buy property. The management of property is more of a health check factor rather than a decision factor for investors." However, there's a need for a services management association in the UAE, he says. "These associations are great for continuing education, annual trade shows, and other events that make this industry fun to work in. I have been a part of these associations in other markets and they really add a lot of value to the market and industry."

SUTTON ON...

...the downturn
"I keep hearing about this recession and I read the papers every day, but all I keep seeing is huge demand. One-bedroom apartments on the main island of Abu Dhabi are still very popular, especially those that come with any kind of parking."

...Abu Dhabi rents
"I expect rents and sale prices to stabilise. Of course, I can't see into the future but it seems like developments such as Sun and Sky Towers on Reem Island will cater to those who prefer on-island living, and there will be plenty of villas on offer for families who want to live off the island. As far as I can tell, there will be enough people looking for homes – either to rent or to buy and live in – that those prices should become stable."

...the impact of more supply
"We have seen rental increases over the last five months in Abu Dhabi. The market is strong in the capital and the addition of high quality units is a welcome development. I see good demand for all unit types in Abu Dhabi. Months ago people were talking about there being too many villas coming on the market in 2009. However, prices have remained very strong. The same is now being said about 'too many flats' and we believe the market will remain very strong for rentals and resales in 2010 and beyond."

...property management
"We're looking to work more and more with expatriates. Basically, when we sign on to manage a property, we'll first find someone to live in the home. Not only will we be responsible for collecting the year's rent, we'll handle all the maintenance and after subtracting our commission send the remainder of the rental income to the owner. If, at the end of a lease period, the renter doesn't want to renew, we'll inform the owner and then try to re-lease the property at a 5 per cent increase from before. That way, the owner never has to be involved directly with the resident."

...quality developments
"I believe Golf Gardens and Al Raha Gardens are high quality stock. Resales and leasing of these properties has remained very high. We believe this will continue with the 2010 delivery of properties like Sun and Sky Towers, Tala Tower, Marina Blue and the rest of Marina Square at Shams, Reem Island."