

Real estate in Ras Al Khaimah:

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While the real-estate sector in Dubai is still buckling under the strain of the global financial crisis, the \$1.9bn Al Hamra Village in Ras Al Khaimah has not only reported majority occupancy across the entire project, but has commenced Phase 4 as well. This will consist of nine buildings, the design for which has already been completed, reports Al Hamra Real Estate Development LLC projects manager Rizwan S. Jabri. "Phase 4 will also comprise about 300 villas. The piling for two of the nine buildings has already been completed," confirms Jabri.

Benoy Kurien, GM of Al Hamra Real Estate Development, says the company had decided to proceed with Phase 4 due to the overall success of the project to date. "The downturn had no impact. None of the phases we announced were scaled back, left unfinished or redesigned as a result. We have completed everything we announced in 2007. The good thing is that everything has been sold."

Kurien states that the overall occupancy level for the project as a whole is 84%, while the five Royal Breeze apartment buildings of Phase 3, the latest phase to be handed over, is 81%. "The unsold units are being rented out at affordable rates. The real-estate market seems to have picked up, and is very good in Ras Al Khaimah at the moment." Investors are mainly Western expatriates, mainly from UK and Germany, with a smattering of local investors as well.

The developer of the project is Al Hamra Real Estate Development LLC, established by H.H. Sheikh Mohammed bin Saud bin Saqr Al Qasimi, Crown Prince of Ras Al Khaimah, in 2004. It comprises Al Hamra Mall, Al Hamra Fort Hotel & Beach Resort, Al Hamra Palace Hotel and the Al Hamra Convention Centre, plus a selection of restaurants and other amenities. Like Dubai's well-known Palm Jumeirah, Al Hamra Village has been constructed on reclaimed land. The project also contains Al Marjan, the first artificially-constructed island in Ras Al Khaimah. The project required three million tons of backfill above mean sea level, says Jabri.

The total area of the project is 2,709million square metres, while the total developed area is 2,042million square metres. A total of 667,102m² is undeveloped at present, which has been tentatively earmarked for Phase 4.

Jabri explains that the first component of the project, built in 1996, was the Al Hamra Fort Hotel & Beach Resort, the most easily recognisable element associated with the overall development. This original component of the project will itself be revamped. "We will be refurbishing the Al Hamra Fort Hotel beginning in June this year. It is under design now. We will close part of the hotel, the main building, and refurbish that, and then next summer we will close the associated villas and refurbish those," explains Kurien. From 2013, the Al Hamra Fort Hotel will be newly rebranded as the Hilton Alexandria.

The golf course component of the project was constructed from 2004 to 2006. This is an 18-hole championship course designed by Peter Harradine, measuring 7,267 yards (par 72) and featuring nine floodlit holes. Ancillary facilities include a 70-bay grass driving range that is also floodlit, an indoor computerised golf coaching academy (completed in 2009), two modern clubhouses featuring a gymnasium and sauna, various restaurants and a terrace sports bar, as well as golf and pro-sports shops.

The Al Hamra Marina component of the overall development was completed from 2007 to 2009, explains Jabri. This 200-berth marina can accommodate vessels of up to 90ft, with facilities such as long-term mooring, 24/7 harbour lights, a refueling and service centre and cleaning, refurbishing and short-term dry dock options. Leisure activities aimed at the tourist market comprise boat rentals and excursions, in addition to wind surfing and water- and jet-skiing.

The main focus of the Al Hamra Village development is residential, with four phases. Phase 1 comprised duplex townhouses known as the Golf Buildings due to their golf-course views. These were completed from 2004 to 2007. Phase 2, from 2005 to 2008, consisted of luxury Type B and Type C villas.

The former have a built-up area of 421m², in addition to a 84m² terrace, while the latter have a built-up area of 182m², in addition to a 221m² terrace. Phase 3, the latest in the overall project, extended from 2008 to initial handover in late 2011, focusing on the five Royal Breeze residential apartment buildings. The total number of apartments across the development, including Royal Breeze, is 2,444; the total number of villas and townhouses, including phase 3, is 1,089; while the total number of homes completed to date is 3,533. Villas are a standard G+1 design, and range from three to five bedrooms, including external landscaping and carpark.

Looking at the latest developments at the project, Kurien reveals that the first Waldorf Astoria hotel in the region is scheduled to open in Q4, plus the addition of a family entertainment centre with a cinema complex at the Al Hamra Mall, which is anticipated to open in either December or January the following year. The Waldorf Astoria is the revamped and rebranded old Al Hamra Palace Hotel, which incorporates a beach resort and conference centre, the latter component completed in 2010. The original 300-key Palace Hotel was designed by Italian architect Maurizio Papiri, based on contemporary Arabic architecture.

“One of the challenges we faced with the Palace Hotel was, first of all, it was designed as a hotel we would run ourselves. Now we are getting out of the hotel business and giving it over to operators,” says Kurien. “The family entertainment centre and cinema complex, which is part of the renovation of Al Hamra Mall, will probably be operational by December to January,” he revealed.

Al Hamra Real Estate Development has paid careful attention to the infrastructure required by the overall project, particularly water and sewerage connections, in order to avoid the protracted problems faced by developers in other areas like Dubai. “We are getting water from a private service provider, Utico,” says Jabri. “Our daily consumption for 2011 was 1,17million cubic metres, which is anticipated to increase to 1.42million cubic metres in 2012. For sewerage, we have our own network connected to a sewerage treatment plant.”

The fact that the Al Hamra Village development weathered the downturn successfully, and is looking to expand even further, is evidence of the successful vision and investment underpinning the project, comments Kurien.

“Ras Al Khaimah is leading a bold drive to become a business destination par excellence, with an attractive investment environment, and led by a proactive government keen on encouraging enterprise. It is also one of the fastest-growing tourist destinations in the Gulf,” concludes Kurien.

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