

# GULF REAL ESTATE AWARDS | 2017

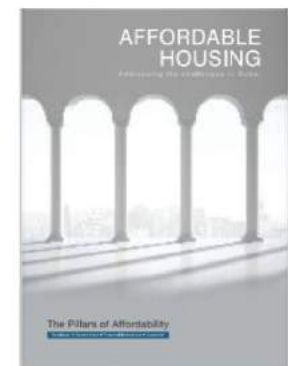
**BEST REAL ESTATE PROJECT**  
*AFFORDABLE HOUSING*

# SUNBEAM HOMES

Dubai Industrial Park - South of Dubai

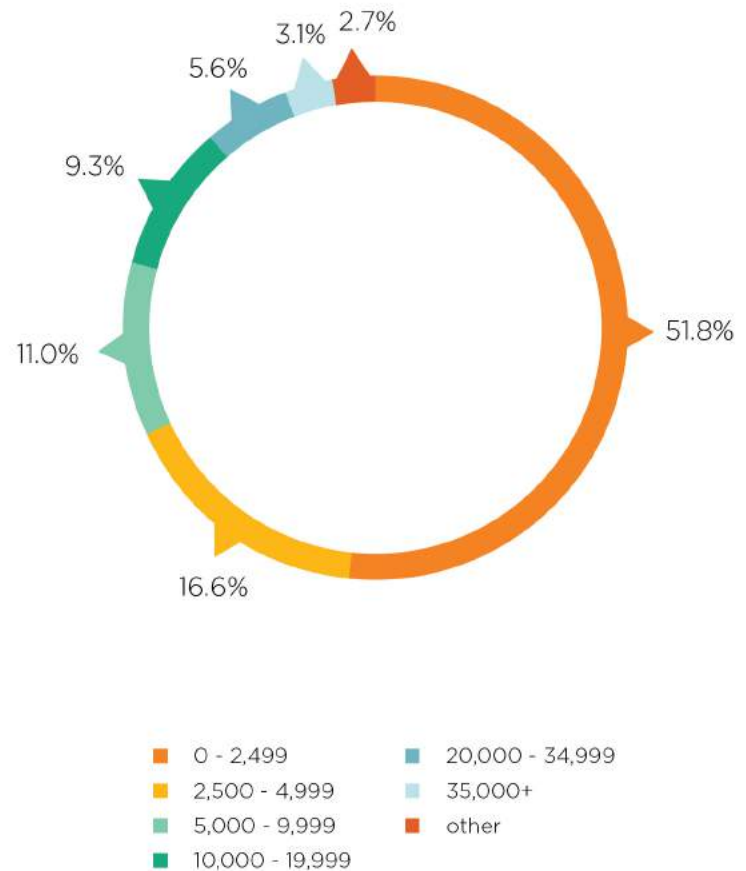


A pilot project  
based on



## BUSINESS RATIONALE & CONTEXT

- It is estimated that more than **680,000 people** or 30% of the Dubai's workforce earn between **AED 2,500** and **10,000**
- Vast **shortage** of decent and reasonably affordable **family apartments** for households earning between **AED 7,500** and **AED 10,000**
- Hundreds of thousands of people spend **3-5 hours commuting** between the **Northern Emirates** and **Dubai** during work days





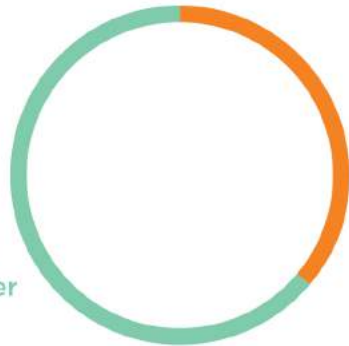
# BUSINESS RATIONALE & CONTEXT

SUNBEAM is a pilot project that provides **decent, practical and affordable housing** catering to couples and families with joint incomes starting at **AED 8,000**.

A couple earning **AED 4000 each** can afford a home in SUNBEAM

## Affordability Threshold

60-70% of income on food, health care and other expenses



30-40% of income on housing

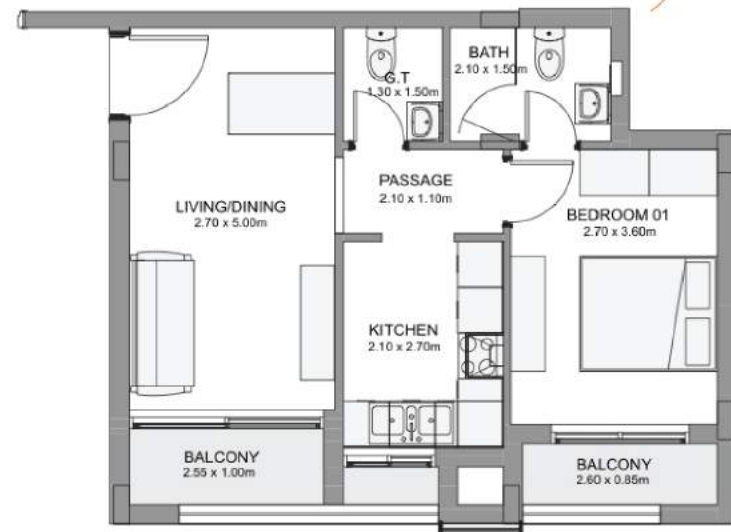


Annual Salary x 5 = Home  
EMI Rent  $\leq$  30-40% of the monthly salary



# SUNBEAM 1 BEDROOM APARTMENT

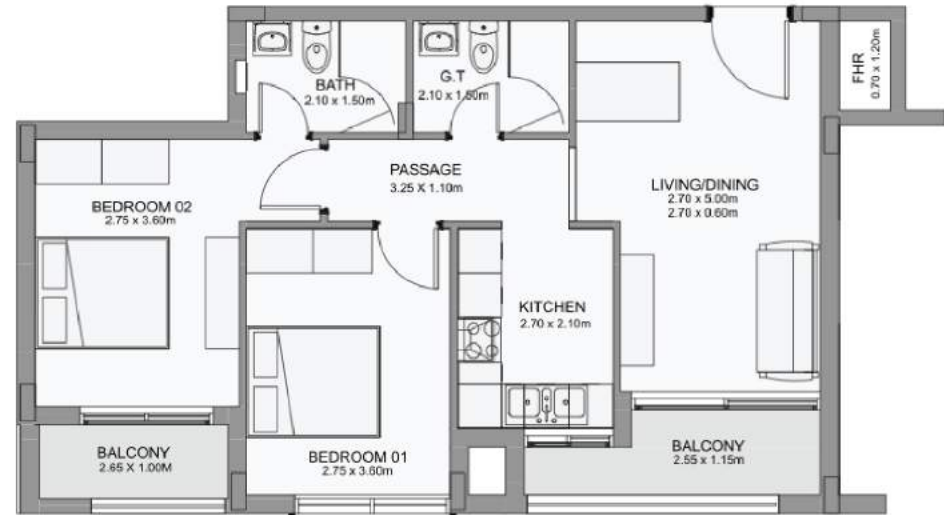
- » Area: **540 sq ft**
- » Price: **AED 395,000**
- » Rent: **AED 33,000**
- » S.Charge: **AED 4,000 / yr**
- » ROI Gross: **8.3%**
- » ROI Net: **7.3%**



- ✓ Privacy
- ✓ Economically Viable

# SUNBEAM 2 BEDROOM APARTMENT

- » Area: 725 sq ft
- » Price: AED 535,000
- » Rent: AED 44,500
- » S.Charge: AED 5,000 / yr
- » ROI Gross: 8.3%
- » ROI Net: 7.3%



- ✓ Privacy
- ✓ Economically Viable

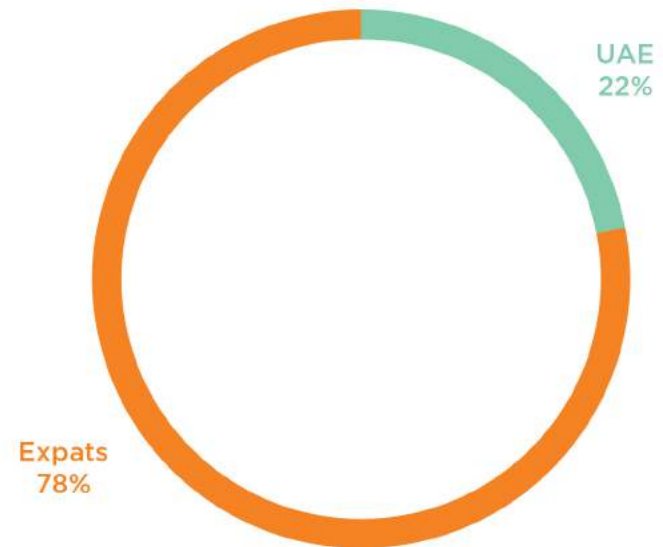
# STRATEGIC PLANNING & INVOLVEMENT OF KEY STAKE HOLDERS

Dubai has a dominant expat population

Affordable Housing parameters and needs of  
Expats different from Emiratis

Size comparison of apartment sizes in  
various cities shows apartment sizes can be  
Economised

**Dubai Population Percentage by  
Nationality (Excluding Labour)**



# STRATEGIC PLANNING & INVOLVEMENT OF KEY STAKE HOLDERS

## Stake Holder expectations

- Low maintenance costs
- Serves basic housing needs of a young family.
- Decent Amenities
- Use of quality material
- Affordable Rental and Sale
- Innovative Furniture

## SUNBEAM Complies



Closed Modular Kitchen  
Central LPG for cooking

Wardrobe



RAK  
CERAMICS



KLUDI



جديد المعاملات  
emirates school

We  support Made in UAE  
Foundation on Trust

ELMARK  
The Brand of Electricity  
LED LIGHTING

  
AIR CONDITIONING

EUREKA  
FORBES  
Water Purifier

\*For 1BHK  Furniture costs AED 11,000



# INNOVATION & CREATIVITY

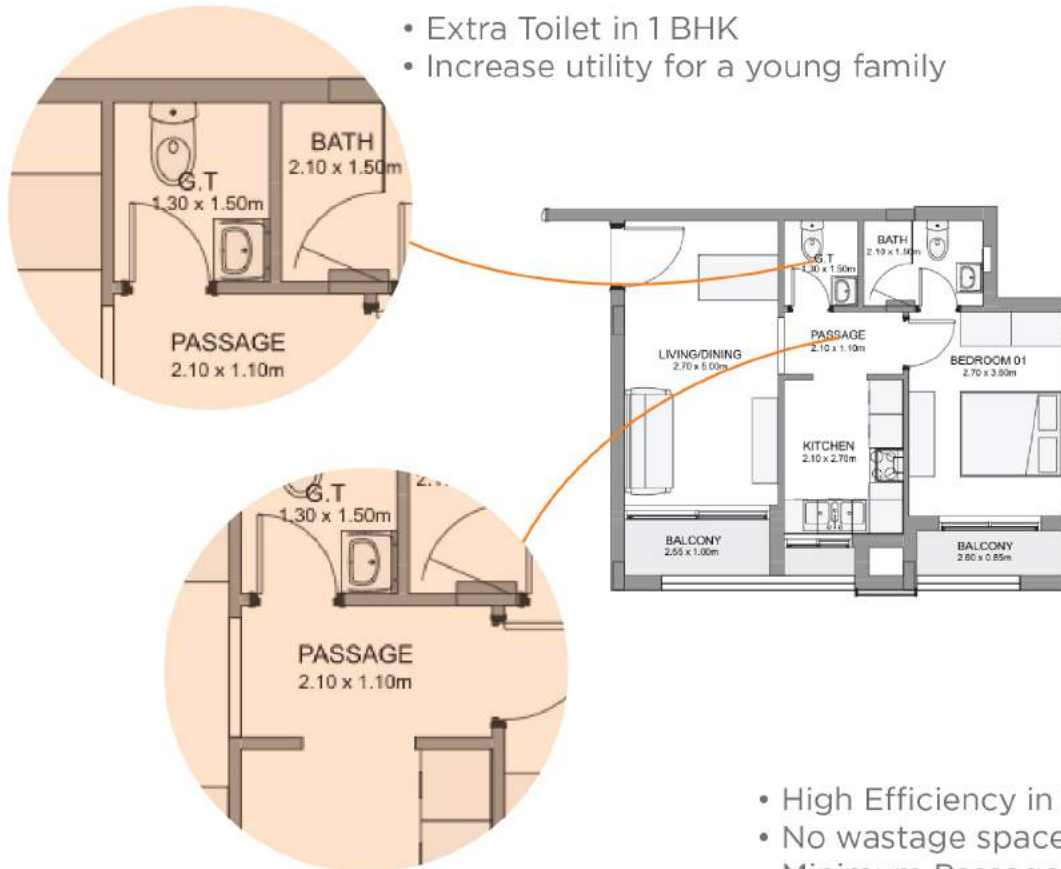
- **Innovation in Design**
- **Innovation to Achieve Lower Service Charges**
  - Lower common areas
  - Use of sustainable energy sources wherever possible
    1. Solar Powered Light in External Areas
    2. Solar Water Heaters
    3. LED Lighting Inside Apartments
- **Renting**
  - Creating Lowest rentals Benchmarks
- **Financing for Sale**
  - Achieving lowest sale price benchmarks
  - Versatile payment plan

## SunBeam Rents Compared with Low Market Rents



Source: Valustrat

# INNOVATION & CREATIVITY



- Extra Toilet in 1 BHK
- Increase utility for a young family

- High Efficiency in usable area
- No wastage spaces
- Minimum Passage
- Privacy

# INNOVATION & CREATIVITY

## Value of Each Apartment

1 Bedroom  
**AED 395,000**



2 Bedroom  
**AED 535,000**



## Terms of Payment

1 Bedroom



During course of project  
**25% - AED 98,750**



Upon completion  
**75% - AED 296,250**



Total  
**100% - AED 395,000**

2 Bedroom



During course of project  
**25% - AED 133,750**



Upon completion  
**75% - AED 401,250**



Total  
**100% - AED 535,000**

## Indicative Equated Monthly Installment (EMI) 12 years @ 5%

1 Bedroom  
**AED 2,740**

2 Bedroom  
**AED 3,711**

- Before the sale, the eligibility of the buyer and his ability to avail 75% finance from the bank, will be ascertained. If the buyer fulfils this eligibility criteria, only then will the 25% advance be taken from him.
- As a developer group, we wish to carry out all sales within the guidelines of the Central Bank of UAE and the Real Estate Regulatory Authorities. Buyers are encouraged to get financing from the bank as it is cheaper than developer finance.

# INNOVATION & CREATIVITY

Innovation to achieve lower service charges

## Efficiency of Usage Space and Common Areas

The **Service Charge** for SunBeam Homes are estimated @ **AED 7/Sq.ft** which is much less than the market average

**Lower Service Charge** also impacts overall affordability of an apartment



## EFFECTIVE IMPLEMENTATION

- Encourage Young Emiratis to save by investing in affordable housing. Advantageous to invest in an apartment rather than a four wheel drive
- Encourage Companies to purchase or long lease affordable housing for their employees.
- The Developer retains 25% of the inventory to actively participate in renting.
- Encouraging customers to rent in pool and in turn effect affordable rents
- Sale status 75% currently sold

25% to a Company  
16% to Young Emaratis  
10% to Actual End Users



Present site photos



## EFFECTIVE IMPLEMENTATION

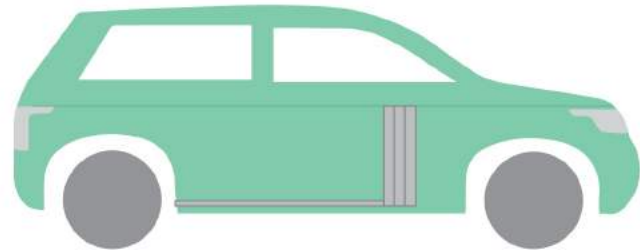
### Appreciating Asset



Value Today  
**AED 395,000**

Value After 5 Years  
**AED 475,000**

### Depreciating Asset



Value Today  
**AED 395,000**

Value After 5 Years  
**AED 0**

## **BUSINESS** IMPACT & **RESULTS** ACHIEVED

The success of the project with Sales showing encouraging signs and reaching to the desired target , we intend to take the concept beyond the pilot.

### **SunLight Homes**

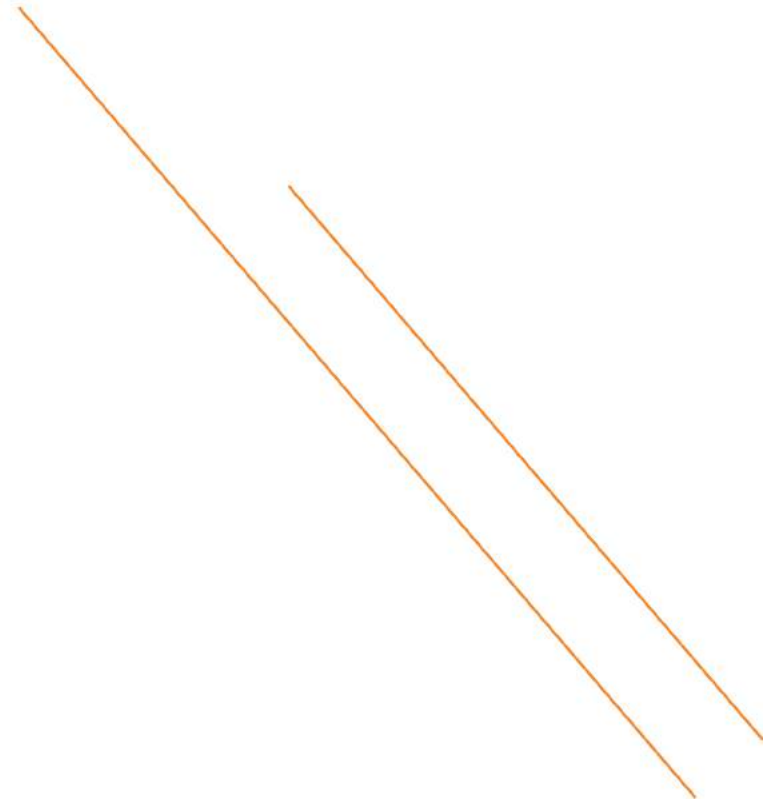
➤➤ 1 million sq ft of Affordable Housing

➤➤ 1BHK: 1,100 nos\*

➤➤ 2BHK: 470 nos\*

➤➤ Project to be completed in 3 phases

\* approximate



**BUSINESS** IMPACT &  
**RESULTS** ACHIEVED



## **BUSINESS** IMPACT & **RESULTS** ACHIEVED

*“I have invested in SunBeam Homes because their payment plan was accommodating and it is an opportunity to build my asset base for my future”*

- Ms. Mariam Ahmed Ibrahim Akaih Al Nuaimi
- Young Emirati Investor

## OUTSTANDING CHANGE DELIVERED

Affordable Sale Price



Low Service Charges



Affordable Rental



Encourage Young Emiratis to save by investing in Affordable Housing



Encourage Companies to invest in Affordable Housing for their Employees



Avail Descent Affordable Housing for households earning AED 8000 per month or a couple earning AED 4000 each





# Thank You



