

Tanmiyat Group offers more bang for your buck

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Developer upgrades Living Legends masterplan to add more amenities for residents

Drive past The Farm restaurant tucked away in the lush Al Barari district of Dubailand, and you will be surprised to see the flurry of construction activity by various sub-developers. Prominent among them is Tanmiyat Group, which is busy giving final touches to phase one of its flagship project, the Living Legends.



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Mohammed bin Odah,
CEO of Tanmiyat

Owners of 184 villas and one entire apartment block have received keys after Tanmiyat announced in June that the Dubai Electricity and Water Authority (Dewa) had connected units to the grid. The Dh7 billion project was launched in 2006, but was put on hold when the financial crisis struck. But the developer leveraged the market to rework the masterplan and add more value in terms of amenities and facilities.

The result: a bigger school, more green areas, a bigger shopping mall, a kindergarten, two clinics, four mosques and more roads to improve access to the community.

"We upgraded the whole masterplan. That's why it took us longer than anticipated to hand over properties. We enlarged the school in the community at least by 400 per cent than originally envisaged. We are in the final stages of signing an international operator. By the end of 2017 or early 2018, the school will be fully operational," says Mohammed bin Odah, CEO of Tanmiyat.

Notwithstanding the market situation, the Saudi Arabia-based private developer sustained the project with internal financial resources and did not resort to a bank bailout. The CEO of Tanmiyat says the customer retention rate was very high. The developer accommodated various requests from customers, including demands to consolidate multiple units.

Financial commitments

"The handover was rescheduled but the owners are getting more value for their money in return. With the market trend back then, a few of our buyers did not want their property as there was no demand for rental or resale. So, they were happy at this rescheduling. There were no commitments during this phase as buyers' financial obligations were relaxed," adds bin Odah.

Today, almost 88 per cent of the project spanning 15 million sq ft is sold out. Living Legends comprises 500 villas and 12 residential towers, of which two will be handed over before the year end.

"We have five per cent or 25 villas left for sale out of 500 in Living Legends. We have sold six apartment towers, which equates to around 1,300 units. We are working full pace on those towers. The RTA expects between 18,000 to 22,000 people to live in Living Legends," the CEO informs.

Gung-ho on Dubai property market prospects

Tanmiyat Group is in negotiations with a few master developers in Dubai to acquire new land. However, CEO Mohammed bin Odah insists land prices have not come down during the current soft market. "We are looking for the right opportunities."

The chief executive is, nevertheless, upbeat about prospects for the Dubai property market.

"As long as the rental return is healthy, it bodes well for inves-

tors. You can easily get a 10 to 12 per cent return if you purchase a studio in Dubai. In Europe, investors can only get a four to five per cent return. The ups and downs in Dubai property are owing to the dynamics in the international market. There is a natural growth in Dubai's population. Besides, there is no taxation, better regulation and a clear vision from the government," he says, citing reasons for his gung-ho outlook.

The project also includes a 9-hole golf course designed by Peter Harradine. Tanmiyat is in talks with several operators to run the course, which is around 80 per cent complete.

"All work underground is finished. We are waiting to plant the seeds. We expect to get irrigation water this

month. Work remains to be done on the driving range and the golf course. Before the year end, you will see greenery all over the place," bin Odah adds.

A shopping strip has made way for the Legends Mall with a leasable area of 150,000 sq ft. It will feature 158 stores, with Carrefour on board as an anchor tenant. Tanmiyat has received expression of interest from retailers for space in the mall.

Twin towers

Two 34-storey Skyline Towers will come up above the Legends Mall and sales for these apartments will be launched at Cityscape Global this year. "We are getting final approval for the building permit from the Dubai Municipality for the Skyline Towers. Excavation is already complete," he explains.

Living Legends will also feature a boutique hotel with 120 suites, which will be managed by the golf course operator. The project boasts of only 18 per cent built-up area, with several jogging and cycling tracks. The entire community will be handed over by the end of 2017.

While most villas have been picked up by end users, apartments have attracted bulk buyers and investors as well.

"For villas, our average price is around Dh1,100 per sq ft. For apartments, the average price is around Dh800 per sq ft. Prices for apartments range from Dh370,000 to Dh1.6 million while penthouses are available for Dh3.8 million. Villas are available from Dh3 million and go up to Dh7 million. We offer big plot size. Consider this, a small-sized villa is built on 500 sq metres and it can go up to 1,700 sq m," adds bin Odah.

Tanmiyat Group also has two more projects in its portfolio, of which the Exchange Tower in Business Bay has been handed over. The mixed-use Court Tower, located on the Dubai Water Canal near the JW Marriott Marquis Hotel, is 80 per cent complete and will be handed over before the year end.