
FOSTER

DEVELOPERS LIMITED

REEM ISLAND, ABU DHABI, UAE

A rare opportunity to acquire a high-quality,
income producing, residential portfolio on
Reem Island, Abu Dhabi

FOSTER
DEVELOPERS LIMITED



THE OPPORTUNITY

A unique opportunity to acquire 185 units within a luxury residential tower in the heart of Reem Island, Abu Dhabi.

Investment Summary

- Al Durrah Tower comprises 202 residential apartments, arranged across ground plus 42 upper floors
- Vendor is offering 185 of the residential apartments, ranging from one to four bedrooms
- Freehold (each unit benefits from an individual ownership deed)
- NLA of the offered units equates to 443,397 sq. ft
- Parking allocation of 185 spaces across 2 parking levels
- The residential apartments are 98% occupied as of Mar-2024
- Passing ROI of AED 25,081,000



INVESTMENT RATIONALE

PRIME LOCATION

Situated on the waterfront and benefits

DELIVERED TO A HIGH SPECIFICATION

Developed in 2013 to provide premium residential accommodation

AMENITISED PRODUCT

Excellent amenity provision including access to a private gym, 24-hour concierge, swimming pool, outdoor space, bbq pit and multi-purpose room

DIVERSIFIED INCOME PROFILE

Income derived from individual private tenants providing security to cash flow

STRONG OCCUPATIONAL PERFORMANCE

High occupancy levels maintained in recent years including throughout the Covid-19 pandemic.

LARGE FLOOR AREAS

Apartments are more spacious than most other options in the city

REVERSIONARY POTENTIAL

Significant rental growth experienced in the Abu Dhabi market provides opportunity to drive rental performance.



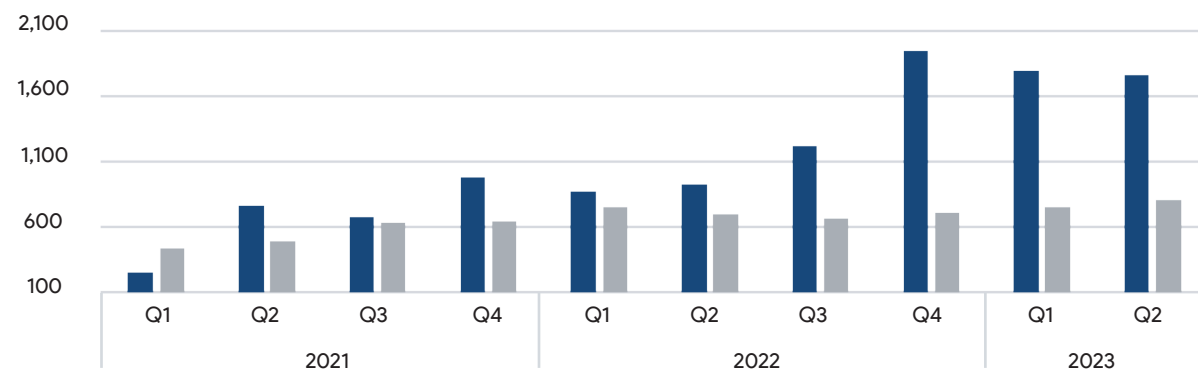
ABU DHABI REAL ESTATE SNAPSHOT

2023 was among the best years for the residential sector in Abu Dhabi

A total of 11,200 units were sold across the city, growing by 83% y-o-y. Apartments continued to be the most transacted property type, accounting for 57% of the overall transactions

The market is gradually enhancing its transparency which is increasing its appeal to a wider investor and end-user pool, beyond the traditional catchment. In 2023, this led to a growth in investments from foreign nationals and sustained demand levels from the Emirati population.

ABU DHABI RESIDENTIAL TRANSACTION TREND



Capital values continued their upward trajectory across apartments buildings, and on an average grew by 6% y-o-y.

The average capital value for apartments across the city stands at 14,800 AED/sqm, however, there are locations where capital value growth was as high as 18% y-o-y.

The residential sector has also benefited from a steady increase in the number of regional and global companies expanding their office footprint across the city.

The financial centre and free zone of Abu Dhabi Global Market (ADGM) has seen an increase in occupancy levels as a result of recent policy level changes across the UAE, and there is a continued focus from the Abu Dhabi government to further deepen its capital markets and financial services sector.

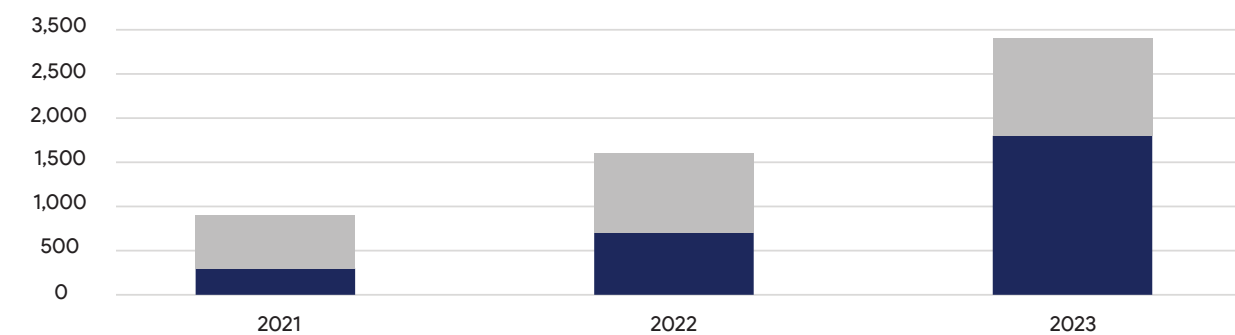
6% Growth

Average capital value growth across Abu Dhabi, with the highest area reaching 18%

83% Increase

Total year-on-year residential unit sales growth in Abu Dhabi in 2023

AL REEM ISLAND TRANSACTION TREND



4% GDP growth

Abu Dhabi GDP 2024 growth forecast (Fitch Solutions)

34%

Increase in annual Al Reem secondary apartment sales in 2023 compared with 2022

AL REEM ISLAND

OVERVIEW

Location Overview

Al Reem Island is a highly sought-after mixed-use community in Abu Dhabi, known for its high quality residential and commercial accommodation. Residents are attracted to the waterfront location, efficient infrastructure and accessibility to the wider city.

Al Reem Island is a top choice for apartment rentals in Abu Dhabi. Families are drawn to the area for its educational facilities, including schools and nurseries with British and American curricula, as well as nearby parks.

The island has a strong provision of amenities, including Al Reem Mall, Paragon Bay Mall, Al Reem Hospital, GEMS World Academy, Nord Anglia International School, Sorbonne University, parks, sports facilities and harbours.

Ownership on Al Reem Island

Al Reem Island is one of a limited number of areas in Abu Dhabi, where foreign investors can own properties. This has led to the island being very popular amongst expats, which in turn has driven demand from retailers and leisure operators to source space in the area.

Licensing

Recent legislation was passed that enables entities with an address on Al Reem Island to obtain an Abu Dhabi Global Market (ADGM) Trade License, this has increased corporate interest in the commercial space on the island.



LOCATION

AL DURRAH TOWER

Al Durrah Tower is a prime residential development located on the West side of Al Reem Island.

The location is strategic, placing the Tower within close proximity to key landmarks, business hubs, and cultural attractions. The surrounding area is dotted with upscale shopping destinations business hubs (including ADGM) and restaurants.

The tower is positioned on the waterfront and provides impressive views of the Arabian Gulf and the Abu Dhabi skyline.

Al Durrah Tower offers quick and easy access to several key amenities including:

- Paragon Bay Mall is a 1-minute walk away.
- Al Reem Mall: less than 1 km away or a 3-minute walk.
- Cleveland Clinic: 2 km or a 9-minute drive.
- Reem Central Park: 3.5 km away or a 9-minute drive.
- Abu Dhabi Global Market: 2.5 km away or a 9-minute drive.
- Abu Dhabi International Airport: 35 km or a 30-minute

drive.



ASSET DESCRIPTION

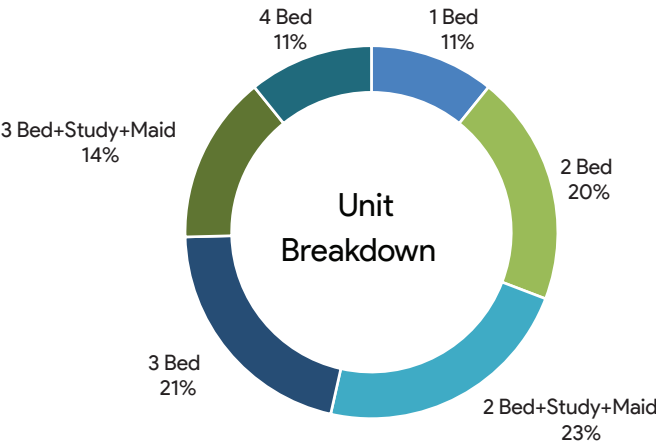
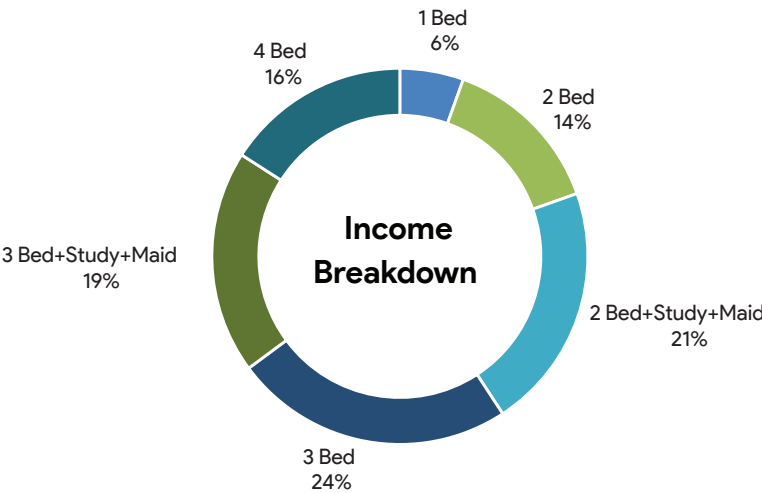
AND INVESTMENT POTENTIAL

Asset Description

Al Durrah Tower is a luxury residential development constructed in 2013 comprising of a 42-storey apartment building with a total of 202 residential units. The units offer a mixture of 3 ,2 ,1 and 4-bedroom apartments.

The building is a well equipped with security, concierge service, underground parking, a swimming pool, full-equipped gym, children’s playground, retail stores and cafes.

The tower offers quality finishes and a variety of apartment layouts to cater to a diverse tenant mix. The units benefit from spectacular views of the bay and Abu Dhabi skyline.



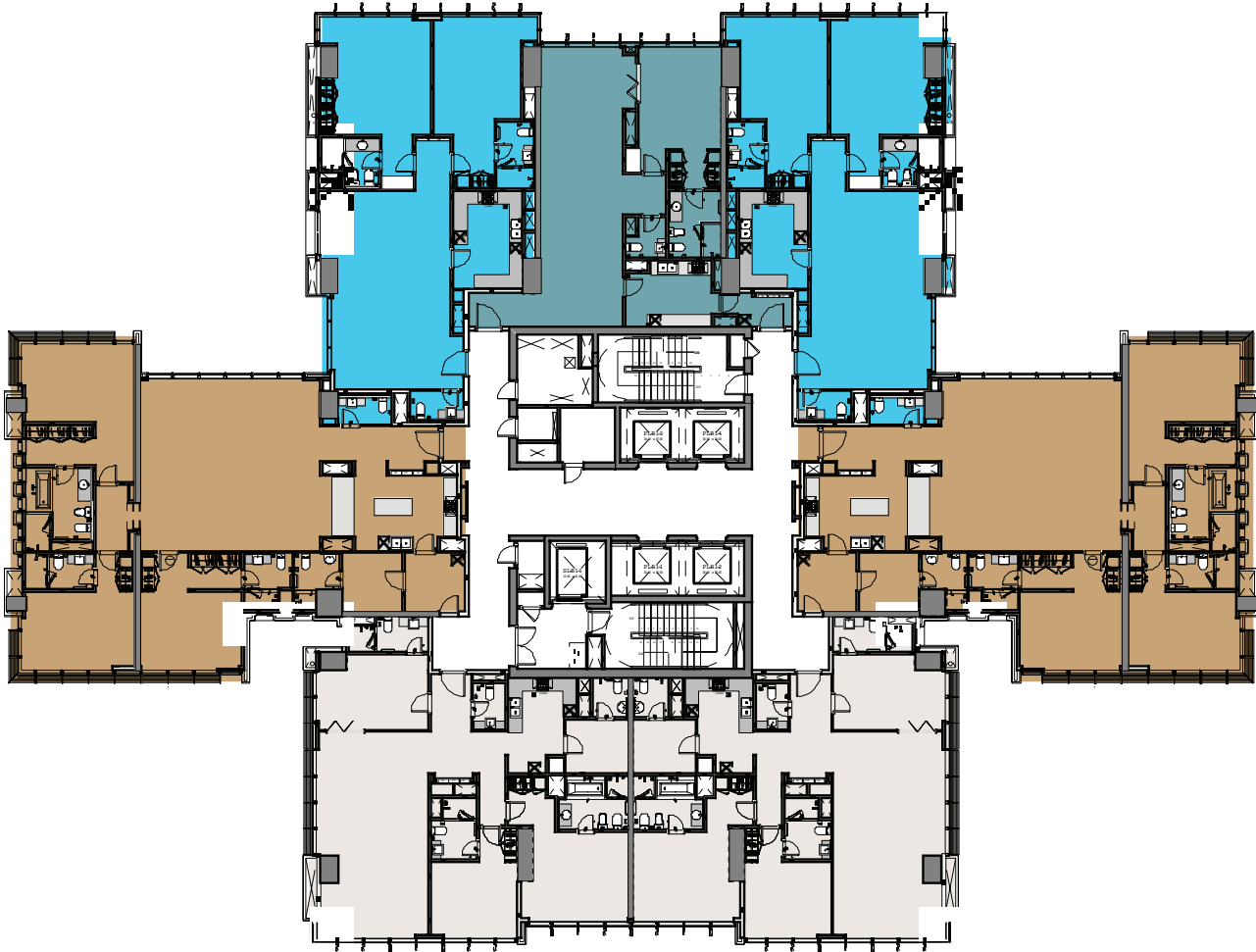
Accommodation Schedule

Type	No. of Units (Whole Building)	No. of Units (Vendor Owned)
One-bed	20	20
Two-bed	40	37
Two-bed with maids	54	42
Three-bed	40	39
Three-bed with maids	28	27
Four-bed	20	20
Total	202	185



TYPICAL FLOOR PLANS

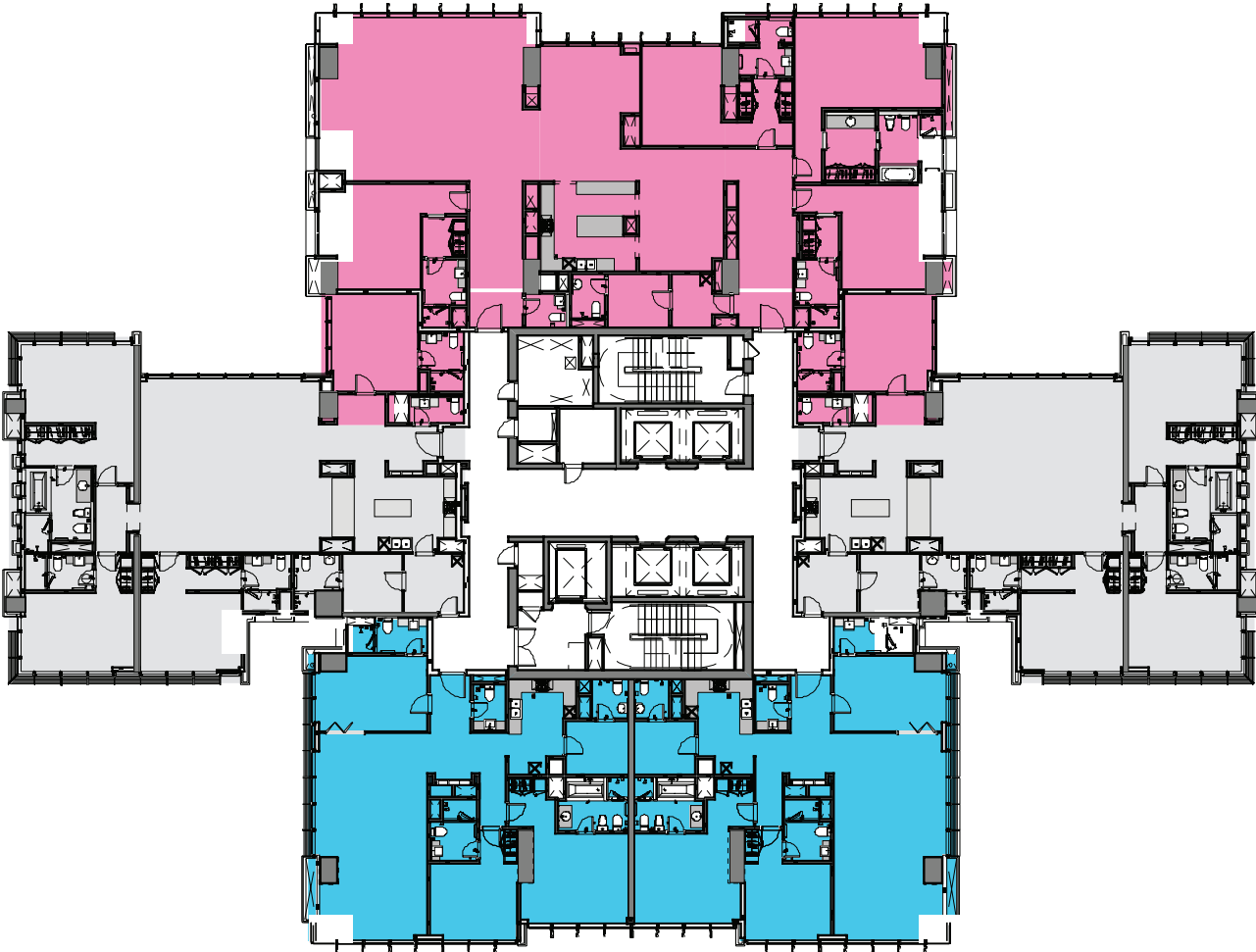
AL DURRAH TOWER



RESIDENTIAL

TYPICAL LOWER FLOOR

- 1 BEDROOM: 1,356 SQ. FT
- 2 BEDROOM: 1,722 SQ. FT
- 2 BEDROOM + STUDY + MAID: 2,002 SQ. FT
- 3 BEDROOM: 2,669 SQ. FT



RESIDENTIAL

TYPICAL HIGHER FLOOR

- 4 BEDROOM: 4,176 - 4,209 SQ. FT
- 3 BEDROOM + STUDY + MAID: 2,982 - 2,992 SQ. FT
- 2 BEDROOM + STUDY + MAID: 2,002 SQ. FT

ASSET PERFORMANCE AND INVESTMENT POTENTIAL

Individual Unit Pricing

Foster Developers Limited have analysed sales data from comparable units and consulted our residential brokerage team. We estimate the cumulative vacant possession pricing for the 185 individual units to be conservatively in the region of AED 576 million. This equates to an average price per unit of c. AED 1300 per sq. ft.

Type	Total nos, of unit	Average Size (Sq Ft)	Total Area of Sqft	Rate (AED/sqft)	Avg Price Per Unit (AED)	Total (AED)
1 Bed	20	1356	27,125	AED 1,300	AED 1,762,800	AED 35,262,500
2 Bed	37	1722	63,722	AED 1,300	AED 2,238,600	AED 82,838,600
2 Bed+study+maid	42	2002	84,088	AED 1,300	AED 2,602,600	AED 109,314,400
3 Bed	39	2669	104,108	AED 1,300	AED 3,469,700	AED 135,340,400
3 Bed+study+maid	27	2982	80,632	AED 1,300	AED 3,876,600	AED 104,821,600
4 Bed	20	4176	83,722	AED 1,300	AED 5,428,800	AED 108,838,600
Total	185	14907	443,397	AED 1,300	AED 19,379,100	AED 576,416,100

Income Analysis

Occupancy sits at 98%, the remaining vacant units represent operational vacancy and are undergoing light refurbishment prior to being relet.

Income summary below:

Type	Total nos, of unit	Average Size (Sq Ft)	Avg Passing Rent	Avg Passing Rent Per Unit PA
1 Bed	20	1356	74,000	AED 1,480,000
2 Bed	37	1722	102,000	AED 3,774,000
2 Bed+study+maid	42	2002	119,500	AED 5,019,000
3 Bed	39	2669	155,000	AED 6,045,000
3 Bed+study+maid	27	2982	169,000	AED 4,563,000
4 Bed	20	4176	210,000	AED 4,200,000
Total	185	14907	829,500	AED 25,081,000

OPERATIONAL CONSIDERATIONS

Management

Al Durrah Tower is currently managed by a Foster Developers Limited. An incoming purchaser has the ability to retain the managing agent, thereby providing them with an immediate third party management platform with a comprehensive understanding of the properties and the tenant base.

Tenure

The units are held under Freehold title, with each unit benefiting from individual title deeds. The building is owned by Tamouh (Q Holding).

Condition and Furnishing

Al Durrah Tower is in a good state of repair and condition commensurate with the age and use.

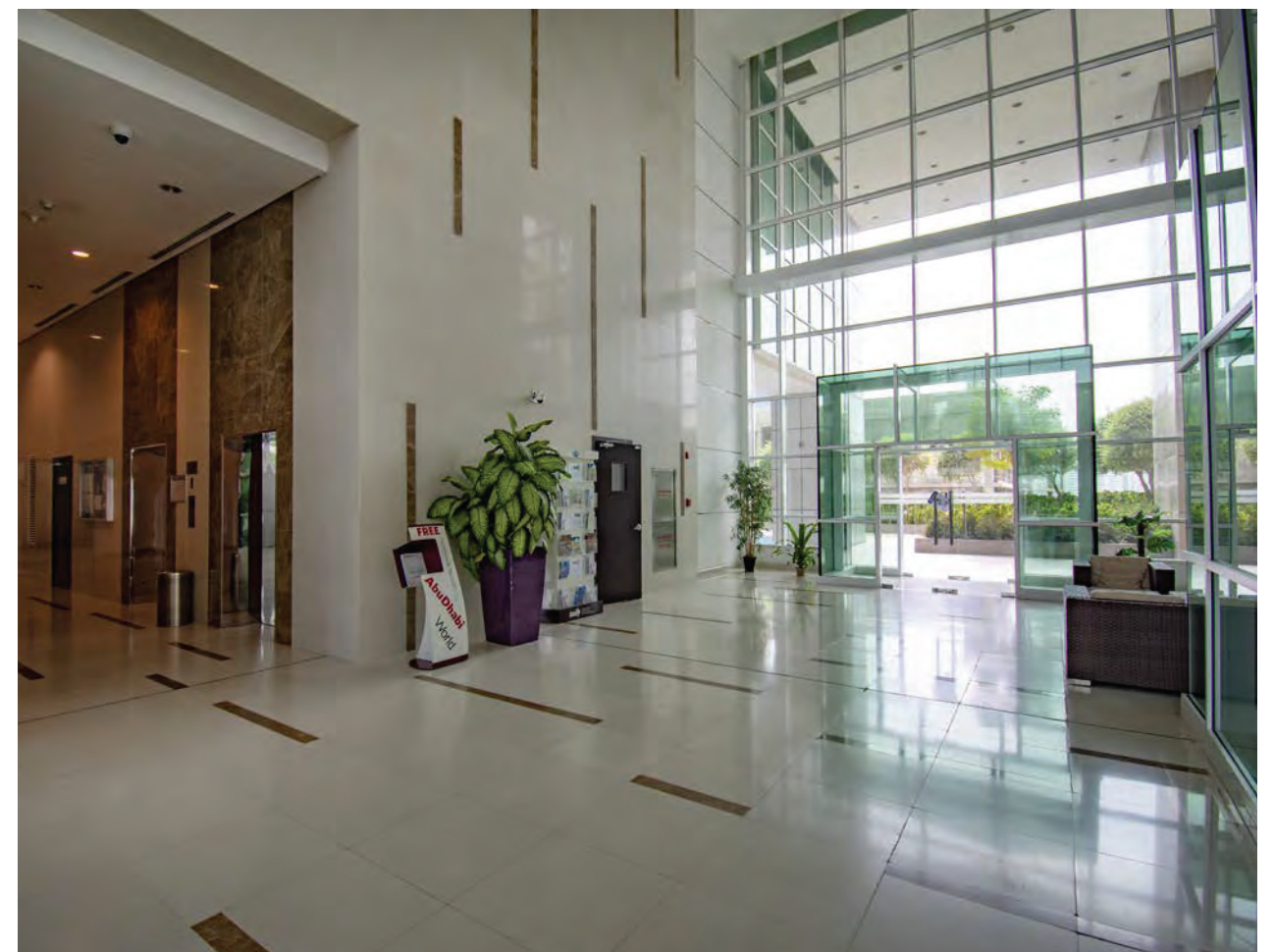
The units have been offered on an unfurnished basis. Any items of furniture within the properties, inclusive of freestanding white goods are owned by the tenants and sit outside of the tenancy agreement.

Tenants

The tenant profile primarily consists of locally employed individuals and families across a range of age groups. Rental cheques are always requested upfront, and a deposit is taken to ensure the security of the landlord.

Operational Strategy

Foster Developers' strategic business approach emphasizes elevating public area tower environments to a superior standard, ensuring that investors or end-users experience the highest quality of building and amenities. To maintain this exceptional standard of accommodation, continuous refurbishment efforts have been deployed. Consequently, minimal capital expenditure is anticipated in the near future.

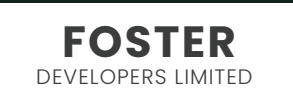


PROPOSAL

The Partners are soliciting proposals for the acquisition of the property, which is available directly from Foster Developers Limited. We have been exclusively designated to provide expert guidance on the divestment of this asset. Prospective buyers should note that viewing the property is strictly by appointment only, and arrangements for such viewings must be coordinated through our designated representative.

PURCHASERS COSTS

The purchaser will be responsible for bearing their own legal costs, purchasers costs, and other related transactions costs.



Foster Developers Limited and their clients give notice that: They do not give any representations or warranties in relation to the information and statements made in these particulars or any other materials accompanying these particulars. These particulars do not form part of any offer or contract and must not be relied upon as statements or representations of fact. Any areas, measurements, distances and the boundaries of the properties are approximate. The text, photographs and plans are for guidance only and are not necessarily comprehensive. It should not be assumed that the properties have all necessary planning, building regulation or other consents and Savills have not tested any services, equipment or facilities. Purchasers must satisfy themselves by inspection or otherwise. The projections based on financial data are estimates and were not prepared towards compliance with any published standard.