

BIG PROJECT

MIDDLE EAST

201

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A portrait of Mohamed Swidan, a man with a grey beard and mustache, wearing a dark suit jacket over a light-colored shirt. He is looking slightly to the right of the camera with a neutral expression. The background is a blue technical drawing with white lines and text, including 'B.O.D.', 'LT1', 'RAD:900x400', and 'S'.

Leading the Digital Journey

BIG PROJECT ME SPEAKS TO
MOHAMED SWIDAN TO LEARN HOW **PROCORE**
IS GUIDING THE MENA CONSTRUCTION SECTOR
ON ITS DIGITAL TRANSFORMATION JOURNEY

February 2023



08



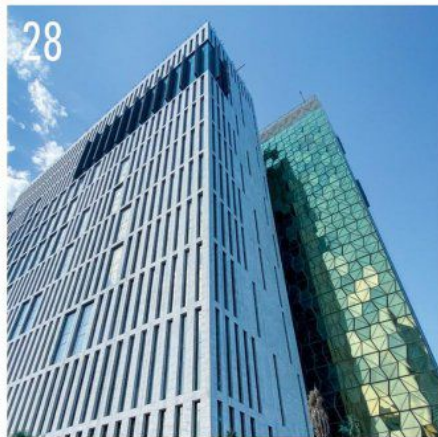
14



16



20



28



34

ANALYSIS

08 The Briefing

Emmanuel de Smedt shares his insights on the sealant industry in 2023, while Uros Trojanovic looks at digitalisation in the built environment

12 The Big Picture

A wrap-up of the biggest international construction news stories for the month

14 Market Report

Betterhomes report examines the market dynamics of Dubai's booming real estate sector

16 Analysis

Fadi Bayoud of Strategic Anchors, discusses the transformation challenges and change hurdles in the construction sector

FEATURES

20 Industry Insight

Mohamed Swidan

Big Project ME speaks to Mohamed Swidan of Procore about the firm's efforts to help the regional digital transformation

28 Project Profile

The New Palace of Justice,

Big Project ME profiles The New Palace of Justice, the smart judicial facility in Kuwait City, which has been designed by Pace Architecture Engineering + Planning

INSIGHT

34 In Profile

Big Project ME speaks to Madhav Dhar, of ZaZen Properties, about his views on the real estate sector in 2023, and the importance of sustainability for investors

40 Final Update

Red Sea Global awards \$266m utilities and infrastructure works for AMAALA to AL-AYUNI Investment and Contracting Company

Aligning with Objectives

BIG PROJECT ME SPEAKS TO MADHAV DHAR,
CO-FOUNDER AND COO OF **ZAZEN PROPERTIES**,
ABOUT THE DUBAI-BASED DEVELOPER'S SUSTAINABILITY
FOCUSED PROJECTS, AND EXPECTATIONS FOR THE
REAL ESTATE SECTOR IN 2023





As the UAE pushes forwards with key initiatives around sustainability, including the Dubai 2040 Urban Masterplan and UAE Net Zero 2050, there is tremendous scope for real estate developers to adopt and incorporate environmentally friendly initiatives in their projects.

Dubai has seen increasingly high demand for off-plan real estate in 2022, with the segment growing by 130% and US\$7 billion recorded in sales transactions as of October 2022. These figures represent the highest value of transactions in a decade, and with COP 28 set to be held in the UAE this year, sustainable real estate is set to be a major contributor to the anticipated continued strong momentum in 2023.

ZaZen Properties, the Dubai-based sustainable property developer, recently launched sales for its newest project, ZaZen Gardens, a LEED-Gold-certified in Al Furjan. The launch follows the successful debut of the



developer's ZaZen One residential project, which was completed in January 2022 and sold out in months.

The developer cites that real estate transactions in Dubai's off-plan sector increased by 92.5% in 2022. This increase in off-plan real estate sales reflects the return of developers who are launching new projects to meet the growing demand for high quality residential apartments, especially in areas like Al Furjan.

In the second part of our interview with Madhav Dar, co-founder and COO of ZaZen Properties, **Big Project ME** explores the developer's plans and takes an in-depth look at Dar's views

Living better
ZaZen Properties designs and builds spaces for people to live, work, and grow, helping them to live better, says Madhav Dhar.

Rapidly growing
Al Furjan was chosen as the location for ZaZen Gardens because it is a rapidly growing micro community in Dubai.

of a real estate sector that is poised for exponential growth this year.

What has the response been like for ZaZEN Gardens and ZaZEN One and why have you gone down this route of focusing on sustainability?

ZaZEN Gardens is on pace to follow a similar sales trajectory to that of ZaZEN One and sell out in a matter of months. The latter, our first development, has been repeatedly nominated for its design and sustainability efforts for carving out niche living spaces in the vibrant Jumeirah Village Triangle (JVT) community. Sales interest in ZaZEN Gardens is significant, and we are optimistic that it will garner comparable recognition to that of its predecessor.

ZaZEN Properties designs and builds modern, inspiring spaces for people to live, work and grow, while protecting the environment and their health. Each space is built with the customer in mind; conceptualised from the ground up and designed based on how they live – and not what's easy to sell.

The company's goal is to help people in the UAE live better by providing carefully tailored homes instead of apartments, and a sense of community instead of a building. Our overarching objective is to align with key UAE initiatives, like Dubai 2040 and UAE Net Zero 2050, to help achieve both regional and global targets, while positioning the company as a homegrown brand that pushes the limits of what a 'mid-market product' should look like.

Why have you chosen Al Furjan as the location for your projects?

Al Furjan is a rapidly growing micro community within Dubai and has been extremely popular over the last 18 months, with multiple off-plan launches by master and private developers alike. At the beginning of this year, the metro line was expanded with four stations within that area, with Al Furjan being one of them.

Being a sustainable, community focused, developer, our project locations have focused on established communities that have services, amenities, and connectivity nearby. It allows for people to get to know their neighbours, for





communities to be developed within smaller catchment areas, encourages residents to interact with each other at the parks, sports areas or at community events and even allows them to benefit from public transport options.

Moreover, with many amenities being shared between subcommunities of the district, the added convenience of supermarkets, clubhouses, schools, restaurants, and sports facilities can provide added value that benefits investors, residents, and tenants.

What are your thoughts on the market moving into 2023? What are the likely opportunities and challenges?

As it stands today, Dubai's real estate prices are poised to continue increasing or at least hold steady. Globally, there are concerns of a looming recession,

▲ Leading destination
The developer says that it believes that the UAE will continue to be a leading destination for expatriates to live and work in.

25%
Dubai plans to have 25% of all journeys driverless by 2030

but the UAE continues to be viewed as a leading destination for its deft handling of the pandemic, proven ability to sustain itself in times of turbulence, its unparalleled safety, and several other reasons that are set to sustain the country's real estate momentum.

Moreover, Dubai remains appealing as one of the top-five most visited cities in the world and an ideal place for expatriates to live and work in, with foreigners making up about 90% of the country's population. The ongoing remote and work-from-home revolution, the opening up of the UAE Golden Visa residency program, a pick-up in immigration, and a continued influx of HNWIs, are among other contributing factors that will allow the real estate growth in the city to sustain.

With eight billion people in the world, growth of about 20% is expected

through 2050 to bring this figure to nearly 10 billion; this will spur demand for essential needs like housing and responsible solutions must be adopted to combat the negative environmental impact of an increasing population.

Initiatives such as the 'UAE's Fourth Industrial Revolution Strategy' and 'Operation 300Bn', which are respectively targeting diversification by means of innovation, and reducing dependence on global supply chains to bolster the national economy, must accordingly be emphasized by the country's real estate developers to create a more sustainable future for both current and future residents of the planet.

There has been a resurgence in off-plan sales - do you think this momentum will be sustained? Why are we seeing



an increase in interest in it?

Dubai's real estate growth has been supplemented by the remarkable success of off-plan transactions, which rose by 86% when compared to 2021. The value of these deals made up 44% of all transactions in 2022. Volatile market conditions saw shifts in consumer behaviour last year, and the market saw a record-breaking performance due to increased demand.

The UAE Golden Visa scheme, the country's efforts to ramp up its diversification away from oil, and the Qatar World Cup are just a few of the driving forces behind the off-plan resurgence; the momentum is projected to maintain its upward trajectory with the UAE construction market expected to reach a value of US\$133.53 billion by 2027.

Flexible payment plans, buyer's protection laws, tax-free investment,

▲ Long-term plans
The mid-to-low end segment will be open to end users looking to stay in Dubai long term.

44%
Off-plan transactions made up 44% of all real estate deals in 2022

high rental ROI, an extensive selection, and valuable capital gains are key incentives for potential off-plan investors, and this is spurring an increased interest in the segment.

Do you feel that there is an oversupply in the market in certain segments? Do you intend to pivot ZāZEN to other market segments in response?

With the increased focus on expanding the industrial and manufacturing segment and the introduction of the new UAE Tourism strategy, the country and especially Dubai will see its population surge, leading to more demand for housing. So, there is no oversupply if you take a mid to long term outlook.

The high-end segment in fact is under supplied and due to that, will see prices stay relatively stable over the next

two to three years, until fresh supply is delivered in the market. Since rents have outpaced home price growth over the past year, the mid to low end segment will be open to end users, who are now serious about staying in Dubai long term, as well as investors who are looking to capitalise on attractive payment plans and earn rental income in Dubai.

As it pertains to ZāZEN, we are not limited to the types of developments we make. Our main goal is to add value whether it be in Al Furjan or Palm Jumeirah.

What are your plans for ZāZEN Properties in 2023 and beyond?

We still have a land bank which we will continue to develop. Our goal is to continue to pave the way for sustainable developments in Dubai. We will also look to start working with other landowners, to

“Our goal is to continue to pave the way for sustainable developments in Dubai. We will also look to start working with other landowners, to educate them on the benefits of building sustainably while still making a profit”



educate them on the benefits of building sustainably while still making a profit.

We will also continue to align with the Dubai 2040 Urban Masterplan, which is exactly how we have always envisioned the city to be, and the UAE 2050 net zero commitment.

Ideally, we would like to get into master developments. However, the value, the opportunity and time must be right for that. When that comes, we will be ready for the challenge. For now, we are focused on building sustainable communities within a building, all while not compromising on quality, amenities, and your well-being.

Are you planning on moving beyond Dubai?

Not at this stage with our own land bank. We would love to explore other parts of this great nation in the near future. 2023 may not be the right time, but you never know what comes up, vis a vis a joint venture opportunity.

What are your thoughts on Dubai’s ambitions of turning itself into a smart and sustainable city? How can developers like ZāZEN take advantage of this desire for change?

The UAE is one of the most forward-thinking countries in the world and Dubai is a city that is ahead of the global curve in many aspects. While the country is planning to build the first city on Mars by 2117, the emirate has planned to have

25% of journeys driverless by 2030 . These are just some of the several pioneering efforts that are being made in the nation.

In terms of the UAE’s drive to become smart and sustainable, developers must follow suit with projects that complement these ambitions. With technology and innovation having shaped the current state of the world, and convenience being prioritised by people all over, UAE developers can tailor their projects to meet the needs of the country’s residents accordingly.

Building LEED-certified or Well-Being focused projects is a strong starting point to ensure that all types of residences are

Aligning with the masterplan
Dhar says that ZaZen Properties will continue to align with Dubai’s 2040 Urban Masterplan and the UAE’s 2050 net zero commitment.

Sustainability focused
ZaZen Properties will focus on sustainable developments that preserve the environment and provide energy and cost savings.

sustainable developments that preserve the environment, provide cost and energy-saving benefits, all while being a healthy environment for you and your family.

What are some of the most essential ways developers can help improve the quality of life for residents and cities?

This is a very subjective question. What makes your life ‘better’ may not work for others. So, it’s very hard for developers to gauge what works. For example, ZāZEN Gardens has introduced the concept of integrated Well-Being design. Many people may not understand this or even feel that it’s just a gimmick, as they can’t touch or feel it. But as a developer it is our job to push these boundaries and try to educate customers when they come in. If we can add value to their lives without hurting their pocket too much, they will be happy. And once the project is ready and people move in, word of mouth takes over to add value to our claim.

That being said, we believe that creating healthy and sustainable environments is something that should be basic now. All it really requires is education. Education for customers to understand the benefits so that there is demand. And education for contractors, developers, and the rest of the chain, so that they keep learning, innovating and providing better spaces for people to live, work and grow, just like ZāZEN. [📌](#)

