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UAE REAL ESTATE GUIDE



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Embarking on the journey of exploring new real estate markets, particularly in a dynamic and thriving region like the United Arab Emirates (UAE), presents an exciting yet complex endeavor. The UAE's real estate landscape is a diverse tapestry of opportunities, each thread woven with unique challenges and considerations.



As you set forth on this exploration, questions inevitably arise:

- Which areas hold the greatest potential?
- What nuances exist within the financing and legal frameworks?
- How can one ensure they are securing a favorable deal?

The sheer magnitude of uncertainties can be overwhelming, leaving you to ponder where and how to begin this intricate process.








Fear not, as this comprehensive guide endeavors to demystify the complexities of purchasing property in the UAE. By navigating through the intricate web of considerations, we aim to equip you with the knowledge necessary to make astute and informed decisions. From unraveling the intricacies of different regions to understanding the nuances of financial and legal regulations, this guide serves as your compass in the vast landscape of UAE real estate.

Join us as we delve into every aspect, providing clarity and insights, empowering you to embark on this journey with confidence and certainty.

What is the first step?

Entering the realm of real estate acquisition is a significant decision that involves substantial financial commitment, underscoring the importance of clarity in your objectives. As you embark on this journey, defining the purpose behind your purchase becomes paramount.

To guide you through this introspective process, consider a series of pivotal questions that serve as a compass for your real estate endeavors:

-  Am I buying a home or making an investment?
-  What type of neighborhood do I want to live in?
-  Am I looking into capital appreciation?
-  Do I want to live close to work?
-  Do I plan to rent out my property?
-  When do I want to move in?
-  What amenities are important to me based on my lifestyle?

Even if you don't have the answers to all of these questions, don't worry, we can always help you figure them out together. Consider us your partners in this endeavor, dedicated to transforming the journey of property acquisition into a collaborative and informed experience.

Together, we'll unravel the possibilities, ensuring that the final decision reflects not only your current needs but also your future aspirations. Your dream property awaits, and we are here to help you turn that dream into a reality.



Consider your budget.

Another key factor to consider is your budget – the affordability of the property you choose to buy will largely depend on your monthly income, average monthly expenses and liabilities, and your level of liquidity. When you have a clear picture of this, here are the main expenses that come with buying a property in Dubai:

- Purchase costs – one time costs and fees at the time of purchase
- The down payment
- Monthly mortgage payments

You've defined your goal – What are the **best places** to buy?

By defining the goal of your purchase and your budget, you've covered one of the most crucial steps in your real estate journey.

Now, it's time to get into the specifics. While Soland offers a multitude of properties across the UAE for every budget and goal, let's explore some options in Dubai:

- If you are making an investment, you might consider off-plan projects like Central Park at City Walk for the environmentally-conscious, amazing upcoming waterfront projects in Dubai Creek Harbour or Palm Jebel Ali, or luxury high-end properties in Dubai Hills Estate. These projects not only offer simple payment plans, but a significant potential for capital appreciation – some projects are witnessing up to 3-6% growth within the first few months from purchase.
- For short-term rentals, it would make the most sense to consider areas where you expect touristic demand to be high – this could be anywhere from Dubai Marina to Downtown Dubai. Since there is also a growing trend in the market for long-term rentals as more and more people are choosing to extend their leases, it is worth looking into areas like JVC, Al Furjan, and Dubai South.
- If you're buying a home, it may help to narrow down your criteria a bit more. Do you value privacy and serenity? Consider something secluded in Arabian Ranches, Palm Jumeirah or Damac Hills. Maybe you want to live close to work; in this case, areas like Downtown Dubai and Business Bay would be suitable for you. Are you looking for an apartment, a villa, or a duplex? Dubai has a lot something to offer for each property type, requirement, and budget range.

Something to consider: Should you buy **off-plan** or **ready-built**?

Firstly, let's understand the difference between off-plan and ready-built properties.

- An off-plan property is one that is under construction. These can be classified as primary properties because you will be the first owner. Often, these properties cost less than their ready-built counterparts, which makes them an excellent choice for investment. While not all primary properties are off-plan, most are.
- A ready-built property is one that is ready to move in. These are classified as secondary properties because as they have generally been previously-owned. The advantage of ready-built properties is that they are mature, which helps you better understand what it would actually be like to live there.

Choosing between the two really depends on your goal. Asking yourself this question may make things easier:

- Am I buying this property to make an investment, do I want to rent it out, or do I intend to move into it myself?

If you are making an investment decision, it may be worth looking into off-plan projects because your outlook is long-term, and you can achieve a higher return on investment on primary properties as a first-time owner.

However, even if your outlook is short-term, you can still consider off-plan properties as development times in the UAE are relatively short, which means that you may not have to wait so long. If, on the other hand, you are looking for a place to move into immediately, or you see a rental opportunity and want to take advantage of it, a ready-built property may be a better option.

Whatever your goals may be, Soland offers a curated selection of the best properties across the UAE, and with advice that is tailored to your specific needs, we will help you find a property that works for you.

Freehold and leasehold ownership – What is the difference?

When buying a property in the UAE, you are bound to come across these two terms: **Freehold** ownership and **Leasehold** ownership, and it helps to know what they mean.

- Simply put, freehold ownership grants you unrestricted control over a property without any limitations. On the other hand, leasehold ownership allows you to possess the property for a specified duration, typically up to 99 years.
- Leasehold properties can be sold, utilized, or rented just like freehold properties, but with some minor restrictions. For example, as a leasehold owner, you would require written consent from the freehold owner of your property to carry out any renovations.

Depending on your requirements, we will advise on the most suitable ownership type for you.

Buying your property – Timeline

If you've made it this far, you now have clarity on your goals, your budget, and the property type you are considering. Maybe, you've even started to look into specific areas and projects that you like.

So, what is the general timeline of purchasing a property in the UAE?

On average, it takes about 2-10 weeks to complete a property purchase in the UAE. Here are the documents you will need to go through with your purchase:

- A signed form F – this is the purchase agreement between the buyer and seller
- Original identification documents
- A payable cheque for the property price
- The original no objection certificate



Financing your property

When it comes to financing, it is always good to prepare for and research your mortgage options while you are searching for the right property. When applying for a mortgage, there are two stages that you need to be aware of that will help you understand your potential borrowing capacity and provide a clearer picture of your eligibility for a mortgage: pre-qualified and pre-approved.

- When you are pre-qualified for a mortgage, it means that a lender has made a preliminary assessment of your financial situation based on the information you've provided. This often involves a quick review of your income, assets, and debts. Pre-qualification gives you an estimate of how much you might be able to borrow for a mortgage, helping you understand your potential price range for purchasing a home.
- Pre-approval is a more formal and detailed step. To get pre-approved for a mortgage, you need to complete a mortgage application and provide documentation to support your financial information. The lender then conducts a thorough financial review to determine the specific loan amount you're eligible for. A pre-approval letter from the lender shows sellers that you are a serious and qualified buyer, potentially giving you an advantage and more negotiating power in the home-buying process.

How much you are able to borrow for a mortgage in the UAE will depend on the following:

- The mortgage cannot be greater than 7 times your annual income
- All your monthly debt liabilities, including the mortgage, credit card debt, personal and car loans, etc. cannot exceed 50% of your monthly salary

Planning UAE company set-up?

Establishing a company in the United Arab Emirates (UAE) unveils a realm of unprecedented opportunities and advantages, rendering it an exceptionally attractive destination for businesses on a global scale. As a dynamic and rapidly evolving economic powerhouse, the UAE presents a host of compelling reasons that extend far beyond its breathtaking skyline.



Here are some key reasons why:

- The UAE's geographic location serves as a gateway between the East and West, making it a pivotal hub for trade and commerce. Its proximity to markets in Asia, Europe, and Africa facilitates easy access to global markets.
- The UAE boasts a business-friendly environment with minimal bureaucracy, efficient procedures, and investor-friendly policies. The government actively encourages foreign investment and offers various incentives and tax advantages in many free zones.
- The UAE has a diverse and thriving economy, driven by sectors such as finance, tourism, real estate, logistics, and technology. Its economic stability and robust infrastructure attract businesses seeking growth opportunities.
- Most free zones in the UAE offer 100% foreign ownership, exemption from corporate and personal income taxes, and customs duty benefits, making it an enticing option for businesses looking to minimize tax burdens.

- The UAE boasts world-class infrastructure, modern facilities, state-of-the-art transportation networks, and cutting-edge technology, providing an ideal environment for business operations.
- The country offers access to a diverse pool of skilled and multilingual professionals from around the globe, enabling businesses to recruit talent suited to their specific needs.
- The UAE provides a high standard of living with a cosmopolitan lifestyle, modern amenities, excellent healthcare, education facilities, and a safe environment for families and expatriates.
- Businesses can choose from various company structures, such as Limited Liability Company (LLC), Free Zone Company, Branch Office, etc., allowing flexibility in operations and ownership.
- The UAE serves as a global networking hub, offering ample opportunities for collaborations, partnerships, and access to a diverse business community.
- The UAE has demonstrated resilience and stability in its economy, attracting investors seeking a secure and stable environment for long-term business growth.

So, there you have it!

In this guide, we've covered all the basics you need to know before purchasing a property in the UAE. And, as a bonus, discovered compelling reasons why setting up a company in the UAE could be your strategic move.

Ready to get started? Book a consultation with us today.



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YOUR WORLD, YOUR CHOICE

The logo features the word "soland" in a bold, lowercase, sans-serif font. Below it, the tagline "YOUR WORLD, YOUR CHOICE" is written in a smaller, uppercase, sans-serif font. The entire logo is centered on a white background with faint, light-colored abstract shapes.