



Real Estate Monthly Pulse

KPMG in Qatar

October 2019



Welcome to the latest issue of KPMG in Qatar's Real Estate Monthly Pulse, which brings you the news highlights from the real estate and related sectors in Qatar. We hope you find this information valuable. If you may have any queries or would like to discuss the newsletter, business or the market, kindly contact us.

Real estate

— [Qatar realty market turns 'tenant friendly' amid price corrections: KPMG](#)

Across-the-board price corrections have made Qatar market "tenant friendly" in real estate sector, whose size is slated to see expansion fundamentally, according to KPMG, a global professional service firm.

"Over the past two quarters, we have witnessed long term initiatives from the government to induce further growth in the economy. Introducing initiatives such as 100% foreign ownership across various sectors with no capital flow restrictions and negligible taxes and expanding the coverage of foreign ownership in real estate are expected to help market stabilize and grow fundamentally," said Anurag Gupta, director and head of Real Estate at KPMG in Qatar.

— [Real estate market in Qatar experience downward price corrections](#)

Qatar real estate market will remain tenant friendly as rentals across the three major asset segments, namely commercial office, residential and retail experience downward price corrections, according to KPMG's latest updates on 'Real Estate Index'. The latest KPMG Qatar Real estate Rental Index showed that vacancy rate along the major commercial districts of Doha could increase as new supply comes online and demand continues to remain subdued. The residential market witnessed a drop of 3.6 percent on the rental index in h1 2019 compared to 4.5 percent during the last two quarters of 2018, mostly led by the villa category. Qatar's retail market maintained stable outlook for more than a year, however mall rentals have started to feel the heat particularly in Q3 and Q4 2018.

— [415 building permits issued by municipalities in August](#)

The Planning and Statistics Authority published the 56th issue of the monthly statistics of building permits and building completion certificates issued by all municipalities of the State. In August 2019, municipality of Al Rayyan municipality ranked top with 115 building permits, i.e. 28 percent of the total issued permits. Doha and Al Wakrah municipalities came in second place

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with 85 permits, i.e. 20 percent each, followed by Al Daayeen municipality with 58 permits, i.e.14 percent, then Umm Slal municipality with 32 permits, i.e. eight percent.

— **96 percent transactions for registration and documentation of real estate lease contracts made online**

Ninety six percent transactions for registration and documentation of real estate lease contracts were made online through the portal of the Ministry of Municipality and Environment (MME). Hamad Khalifa Al Khalifa, Assistant Under-Secretary for Common Services Affairs at MME, said in a statement that a qualitative leap was achieved in the development of two online services - registration and documentation of real estate lease contracts; and advertising licenses - through the services of automation project currently under implementation. He said that all transactions of the two services can be completed fully electronically without the need for applicant to visit the government service centers in person.

— **Barwa to lease out hundreds of warehouses and workshops from mid-Sept**

Barwa Real Estate announced the completion of the construction of warehouses and workshops of Barwa Al Baraha project. The project will be available for lease from mid-September 2019. The total land area of the project is 684,134 square meters and is located within the Barwa Al Baraha project behind the Labor City in Industrial Area (No. 91). The total construction area of the project is about 193,000 square meters and includes 561 warehouses of 300 square meters each and 118 workshops of 144 square meters each.

Hospitality and Tourism

— **Qatar's tourism sees growth rate of 11 percent**

Qatar's tourism sector is undergoing rapid development with 11 percent growth recorded during January to August 31 this year compared to the same period in 2018. Qatar was also recently ranked on top in the Middle East and eighth globally in Business Environment by the World Economic Forum's Travel & Tourism Competitiveness Report 2019.

Retail

— **Qatar Rail extends registration for retail spaces in Doha Metro stations**

Qatar Rail has announced an extended registration period to run until end of September for businesses entrepreneurs, and local companies seeking commercial spaces in Doha Metro network. The final phase of the Doha Metro Retail features commercial retail shops at the Gold Line 10 stations running from Ras Bu Abboud to Al Aziziyah, the Green Line featuring Al Riffa station, and the Red line with five stations running from Katara to Lusail and Hamad International Airport station.

The retail units have competitive licensing rates which are fixed for a period of five years. Unit licensing rates during this period will not be affected by fluctuation in the rental market. Additionally, these rates are also inclusive of utilities, water and electricity.

Education

— **Ministerial Decision to open 7 new schools**

The Minister of Education and Higher Education H E Dr. Mohammed bin Abdul Wahed Ali Al Hammadi issued a Ministerial Decision to open seven new schools in the country to meet the growing demand of seats. These schools will cater to primary, preparatory and secondary levels and will be opened in Al Wakrah, Muaither, Al Kheesa, Old Airport and Al Manaseer.

Economy and Regulation

— [Qatar among top 20 nations in World Bank's 'Ease of Doing Business 2020' list](#)

The World Bank listed the State of Qatar as one of the top 20 countries in the world in terms of their improvement to the 'Ease of Doing Business 2020' score.

The report said that the 20 countries were chosen out of a total of 190 countries.

— [New Amiri decree grants residence permits without sponsor for investors](#)

The Amir H H Sheikh Tamim bin Hamad Al-Thani on Monday issued Decree Law No. (23) of 2019, amending some provisions of Law No. (21) of 2015 regulating the entry and exit of expatriates and their residence.

Sources: *The Peninsula, Gulf Times*

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