



# KPMG Real Estate and Infrastructure Monthly Pulse

September 2018

Dear all,

We are very pleased to share the latest issue of the **KPMG Real Estate and Infrastructure Monthly Pulse**. In this issue we bring you the key news highlights from within the real estate and infrastructure space in Qatar for August 2018. We hope you will find this issue an invaluable read, helping you to stay connected with the sector.

## Real Estate

- Building permits issued in the country have increased by 90 percent in July 2018 compared to the previous month, indicating that the construction sector continues to grow. According to the Ministry of Development Planning and Statistics, 729 building permits certificates and 402 building completion certificates were issued in July, a 55 percent increase in the number of building completion certificates compared to the previous month. [Read more](#)
- The number of real estate transactions in June 2018 nearly doubled compared to the corresponding month last year. The total number of properties sold during the month of June (across all eight municipalities in Qatar) reached 267, up 97.8 percent compared to 135 properties traded in June 2017. [Read more](#)

## Infrastructure

- According to MEED, Qatar is set to award an estimated \$85bn worth of planned projects in the coming years. Of these planned, but unawarded projects, about \$9.1bn worth projects are under study, \$31.7bn of projects are at some stage of tendering while \$44bn of projects are in designing stage. [Read more](#)

## Tourism and Hospitality

- Dusit International, a Thailand-based global hospitality company has signed a management agreement with the AI

For any enquiries, please contact:



**Venkatesh Krishnaswamy**  
Partner, Deal Advisory  
KPMG in Qatar  
D: +974 4457 6451  
M: +974 5554 1024  
T : +974 4457 6444  
[kvenkatesh@kpmg.com](mailto:kvenkatesh@kpmg.com)



**Anurag Gupta**  
Director, Deal Advisory  
KPMG in Qatar  
D: +974 4457 6438  
M: +974 3354 4317  
T : +974 4457 6444  
[aagupta@kpmg.com](mailto:aagupta@kpmg.com)

Majed Group to operate Dusit Doha Hotel. The 357-key five star hotel will be located in the West Bay area and is expected to open in the fourth quarter of this year. [Read more](#)

- Demand for budget hotel rooms and serviced apartments in Qatar has witnessed a significant growth in June 2018 compared to the corresponding month last year. Average occupancy rate for hotel apartments saw a double-digit growth of 11 points to 73 percent in June 2018 compared to 62 percent in the same month last year. 3-Star hotels registered the highest rate of occupancy among all segments of hotel rooms, increasing by 9 percent to reach 69 percent in June 2018. [Read more](#)
- Hospitality sector of Qatar has grown significantly in the last five years. Total number of hotel rooms increased by around 64 percent while the number of hotels have grown by about 30 percent during 2013 to 2017. According to the Ministry of Development Planning and Statistics data, number of hotels increased from 83 in 2013 to 108 in 2017 while the number of rooms jumped from 13,577 to 22,288 rooms in the same period. [Read more](#)
- Qatar firm Katara Hospitality, a leading global hotel owner, and AccorHotels, Europe's biggest hotels group, announced plans to set up a \$1 billion investment fund targeting the hotels and hospitality sectors in sub-Saharan African countries. [Read more](#)
- Qatar registered a 35 percent year-on-year decline in the number of its tourists during the first half of this year. The predicted drop was said to be driven by a fall in arrivals from neighboring GCC countries following the diplomatic dispute. Data unveiled that arrivals stood at 944,600 during the first half of this year, a drop from 1.46 million recorded during the same period last year. [Read more](#)
- Souq Al Wakra Hotel Qatar by Tivoli was launched recently at Al Wakra. The new hotel comprises of two buildings with a total of 101 guest rooms. Both buildings are former heritage houses where original character has been splendidly preserved with the architecture mirroring a Qatari house or fortress. [Read more](#)
- Qatar-based Al Rayyan Tourism Investment Co. (ARTIC) refinanced three of its luxury hotels for a total of \$503 million. The hotels, with total 1,049 guestrooms, are The Manhattan at Times Square Hotel; the St. Regis Bal Harbour Resort, in Miami; and the St. Regis Washington, D.C. [Read more](#)

## Retail

- Doha Festival City entered a one-of-a-kind entertainment partnership with the leading global entertainment brand, Cartoon Network, and Invent, the in-mall entertainment experts. The partnership will offer a range of family entertainment options including live shows, activity zones and augmented reality pods. [Read more](#)
- Mall of Qatar is looking to attract foreign visitors coming through cruise ships, in a bid to further increase footfalls. The Mall is in talks with Qatar Tourism Authority (QTA) to tap into growing number of cruise tourists coming to the country. [Read more](#)

- Mall of Qatar is finalising plans for an expansion project as part of efforts to serve Qatar's growing retail segment and to help boost tourist inflow to the country. The expansion will begin next year and is expected to be completed before 2022. [Read more](#)

## Education

- The Ministry of Education and Higher Education has set the ball rolling for the establishment of five more private schools in different parts of the country, targeting the creation of an additional 7,000 seats. The government land will be allocated for the new batch in Al Wukair, Umm Al Qarn and Al Khor areas. [Read more](#)
- The Ministry of Education and Higher Education announced opening of 14 new schools and kindergartens (KGs) in the academic year 2018-19. The Ministry also plans to open Qatar Science and Technology School this year. The new schools include 11 private schools and kindergartens and three public schools which will provide more than 5,065 classrooms, bringing the number of public schools and kindergartens to 272. [Read more](#)
- Qatar allotted plots of lands to build schools with a combined capacity of 6,000 seats and it will provide buildings on rent to operate private schools to meet the growing demands of school seats in the country. [Read more](#)
- Minister of Education and Higher Education issued a ministerial decision to open three new government schools for the academic year 2018-2019. Under the ministerial decision, an elementary school for boys called Zubayr bin Al Awam in Madinat Khalifa North, a secondary school for girls - Hind Bint Abu Sufyan in Al Mearad and a specialized secondary school for boys - Qatar School for Science and Technology in Umm Al Seneem will be opened. [Read more](#)

## Economy

- The Qatar Financial Centre (QFC) has reported a 69% increase in the number of companies registered under the QFC during the first half of 2018. The QFC platform reached a record number of 532 firms with the majority of new firms coming from Europe, India and Pakistan. [Read more](#)
- Qatar's macroeconomic environment secured the first place in the entire MENA region and 20th globally. Qatar was also rated as the second-most competitive economy in the Arab world, and 25th globally, according to the joint study by the World Bank Group and World Economic Forum. [Read more](#)
- Qatar's economy is expected to grow in the range of 2-3 percent in 2018, according to the 41st annual report released by Qatar Central Bank (QCB). Qatar's growth outlook for 2018 has improved, driven by increasingly broad-based global economic recovery, the report said. [Read more](#)
- Qatari banks have "sufficient cushion" to accommodate further real estate credit, according to a Qatar Central Bank report. The Net Mortgage Risk Ratio for the local banks stood at 114.17 percent as against the QCB-stipulated maximum limit of 150 percent as of December 2017. [Read more](#)

Source: *The Peninsula, Gulf Times, Zawya, MenaFn*

Privacy | Legal

INTERNAL USE ONLY

©2018 KPMG, Qatar Branch is registered with Ministry of Economy and Commerce, State of Qatar as a branch of KPMG MESA Ltd and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative (“KPMG International”), a Swiss entity. All rights reserved.

©2018 KPMG LLC, a limited liability company registered with Qatar Financial Centre Authority (QFCA) and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative (“KPMG International”), a Swiss entity. All rights reserved.

The information contained herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavor to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date, it is received or that it will continue to be accurate in the future. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation.

The KPMG name and logo are registered trademarks or trademarks of KPMG International Cooperative (“KPMG International”).

[kpmg.com/qa/realestate](http://kpmg.com/qa/realestate)

[kpmg.com/qa](http://kpmg.com/qa)

