

More than just sun and sand at UAE's Northern Emirates

Islands, beachside homes, hotels and marinas reshape waterfront destinations there

Published: November 30, 2018 16:04 [Manoj Nair, Associate Editor](#)



Oussama Kabbani at Al Zorah in Ajman, where Phase 1 — making up 15 per cent of the 5.4 million square metre development — is nearly finished. The developer is finalising details for the soon-to-launch Phase 2, which will have hotels and a beach club. Image Credit: Arshad Ali/Gulf News

Dubai: If you are headed for the beach or any stretch of waterfront in the Northern Emirates, chances are you will be coming across more than just the sun and sand.

Great swathes of these coastlines are under development, as the Northern Emirates rework the development formula to become freehold and tourism havens in their own right. UK-based Magna Group last week confirmed a Dh350 million resort project at the Al Marjan Island in Ras Al Khaimah, while work is progressing at the Dh2.4 billion Maryam Island located between Al Khan Lagoon and Al Mamzar in downtown Sharjah.

Then there is the Al Zorah in Ajman, where Phase 1 works at the 5.4 million square metre development is nearly over. Phase 1 represents 15 per cent of the overall master plan, and the developer is finalising details for the soon-to-launch Phase 2, which will involve further raising the “appeal” of the destination through hotels and a beach club. The intention, according to a senior official, is to be an attraction not just for visitors from within the Northern Emirates but eventually from Dubai as well.



A view of the Dh2.4 billion mixed-use development Maryam Island in Sharjah. Image Credit: Supplied

“Phase 1 was about putting in the anchors to stimulate future growth, such as having a golf course, a few golf residences, a hotel that’s open and managed by Oberoi, and marinas,” said Oussama Kabbani, Chief Operating Officer at Solidere International, which has a 50:50 venture with Ajman Government to build Al Zorah. “The full development will take 10-15 years for this site to be a base for 30,000-50,000 people living and working here.”

The buyers are definitely out there — Sharjah’s master-developments such as Aljada and Al Zahia have consistently pulled in investors. Eagle Hills, the name behind Maryam Island, has an alliance with Sharjah Investment and Development Authority (Shurooq) on two other high-profile projects in the emirate. Eagle Hills is also the name behind the “Fujairah Beach” development.

Ras Al Khaimah has two freehold destinations that has achieved scale — Mina Al Arab and Al Hamra Village.

Each of the emirates is monetising in some form or the other their areas close to the water. Most of these are greenfield projects, but some are taking the form of complete urban renewals of these locations.

“Though Al Zorah was launched when the market was soft, we’ve still done well,” said Kabbani. “The initial freehold launches were all acquired by end users, where we had four-bedroom villas of 5,500 square feet from Dh5 million. Those prices were 40-45 per cent cheaper than in Dubai built to a similar quality.



The Al Marjan Island in Ras Al Khaimah, which has new resorts coming up. Image Credit: Supplied

“But then Dubai market went through a correction and the price gap narrowed. Investors are still shy in putting in capital when the market is tough. Yet, we believe we can still get buyers and investors interested when Phase 2 starts.”

Solidere International, which is headquartered at DIFC and in which Lebanon’s Solidere holds 40 per cent, hopes to bring in three major investors for projects in Phase 2. “We also have a plan to sell some of the equity in the Al Zorah operating company to strategic investors,” the COO added. “That’s a decision for the board of directors to take — but now that Phase 1 is over, we see this as the right time to engage in equity deals.”

Kabbani declined to speculate on whether it would be Solidere International reducing its shareholding in any future sell-off or will have Ajman Government doing so as well.

“We could even try JVs with big investors. In these market conditions, a third-party developer may have concerns about paying upfront for the land. That’s why master-developers entering into a JV will give a sense of credibility from the fact that we are in the game as well.”

Phase 2 will eventually take up about 20 per cent of the site, to add to the 15 per cent for Phase 1. There are no immediate off-plan residential launches planned in the interim, with the developer expected to take a decision once the 50 per cent mark is reached on the new homes. That way, they will have a better feel on which the market sentiments are blowing at the time.