THE ADDRESS

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20th ISSUE

Opening up of Iranian Market & its Impact on Dubai Real estate

10 Reasons to Buy Property in Mumbai

EDITOR SPEAKS

Square Yards is back with the latest edition of The Address, the real estate advisory's monthly magazine with a slew of interesting topics, covering the upcoming dimensions of the Indian & Global Real Estate Industry.

In our Cover Story section, we have captured the present real estate industry dynamics in UK after the BREXIT event. It has been over three months post the landmark judgement on 23rd June & it appears that the economy & the real estate sector in UK have showcased enough resilience to arrest any possible economic recession, that many experts opined during the early days.

In the spotlight section, we have mentioned top 10 reasons to invest in the commercial capital of India-Mumbai. Real estate sentiments have started to bottom out in Mumbai & it offers significant opportunities for buyers looking to make profitable investment.

This time in the spotlight section we have used a different approach focused mostly on the use of imageries with minimal usage of text. We hope that our new style would be appreciated by our readers.

The edition also talks about the possibility of an upward push in Dubai's real estate industry after uplifting of nuclear sanctions on Iran, earlier this year. The upliftment of ban will facilitate the integration of Iran into global economy & financial markets. As Dubai shares both cultural & economic proximity with Iran, its real estate industry should be a natural gainer.

In the event section, the issue talks about Investment Multiplier Carnival & the Convertible Offer. The former is an upcoming real estate investment event in Noida. The latter is a unique investment offer brought by Square Yards, that has the potential to make early level investors into millionaires. Capitalizing on the exponential growth of the real estate start-up, investors can make small ticket size investment with huge return opportunities.

To elucidate more about this investment opportunity that is limited for foreign investors, Square Yards is conducting a slew of event across the globe.

Kanika Gupta Shori
Editor

10 Reasons to Buy Property in Mumbai

Most of us think of buying a property in the city of dreams. But, what makes this city to be in everybody's bucket list?

- One of the biggest advantages of buying a home in Mumbai is that you will have a great investment portfolio in your kitty!
- You have multiple options to spend your weekend. Whether it's Marine drive or the Worli-Sea Face, nothing calms down frayed nerves better than the soothing sea breeze.
- Mumbai enjoys an efficient network of local transport carrying you all across the city! You can opt to be a part of the chaos of the local train or take your seat on the double decker and see the city in all its colors.
- Mumbai is safer than most of its counterparts when it comes to people's safety!
- The city famous for its street foods will always keep you and your stomach happy!

- The culture of Mumbai is a boisterous blend of cuisines, languages, food, festivals & cinema.
- Mumbai holds the pride of being the wealthiest city in the country. The increasing business opportunities offer the inhabitants of Mumbai a better potential for a higher standard of living.
- Home to Bollywood and an established theater community, Mumbai is undisputed entertainment capital of the country.
- The youthful energy of this city lives on! 24×7 you find people out and about, busy streets and sheer movement. Another quality that is not replicated elsewhere in India!
- Mumbai is also synonymous to 'City of Dreams' and the 'Land of Opportunities' to millions of people


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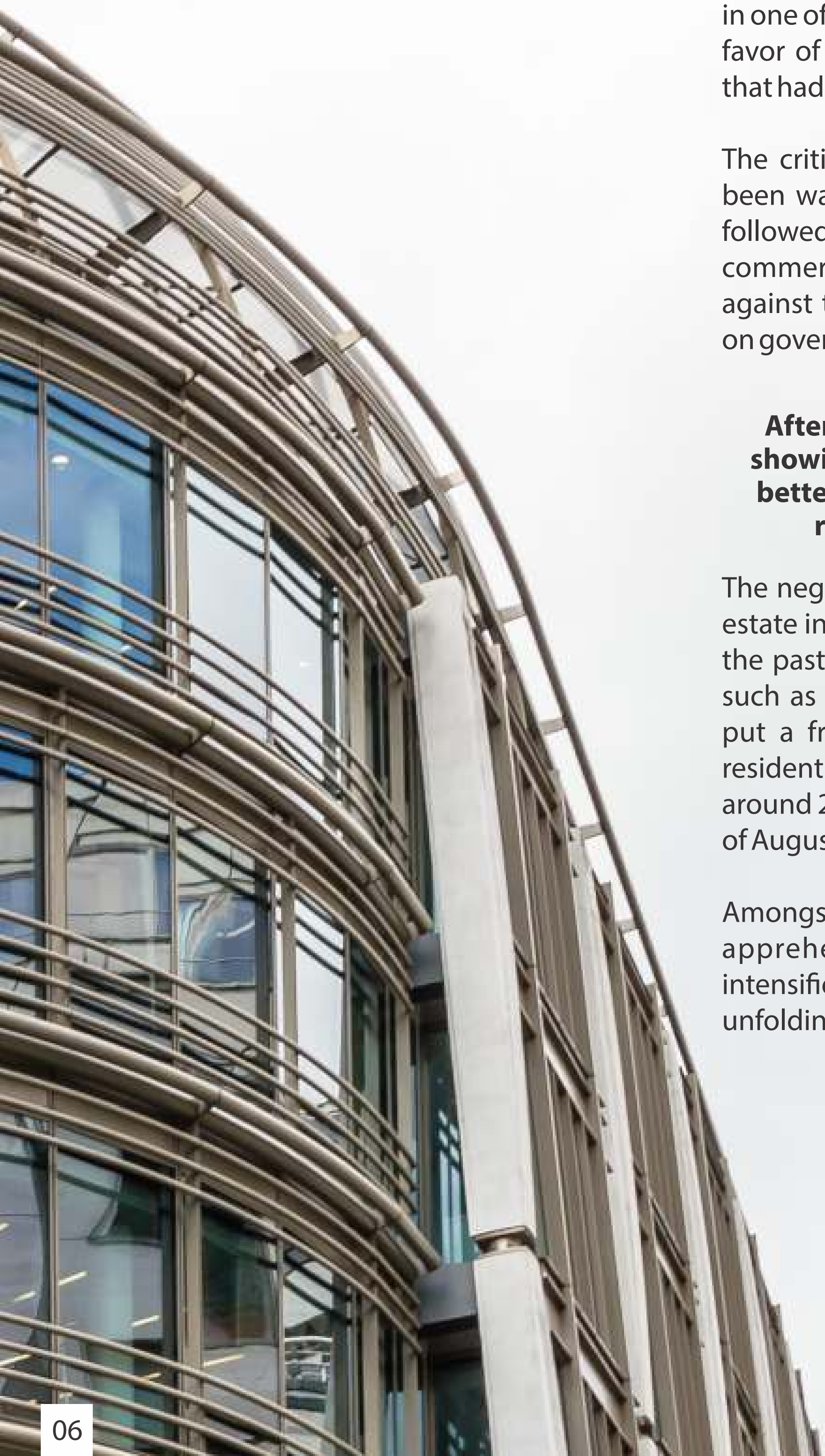
10 REASONS TO BUY A PROPERTY IN MUMBAI
Has an open sea
3
10 REASONS TO BUY A PROPERTY IN MUMBAI
Has a strong network of public transport
10 REASONS TO BUY A PROPERTY IN MUMBAI
Is safer than most cities
6
10 REASONS TO BUY A PROPERTY IN MUMBAI
Melting point of cultures and tradition
7
10 REASONS TO BUY A PROPERTY IN MUMBAI
It's the financial capital of country
5
10 REASONS TO BUY A PROPERTY IN MUMBAI
Live life street style
9
10 REASONS TO BUY A PROPERTY IN MUMBAI
A city that never sleeps
10
10 REASONS TO BUY A PROPERTY IN MUMBAI
The land of opportunities

UK's real estate industry Post Brexit

Amidst impending crisis, the UK's economy & its real estate sector has showcased signs of resilience



After initial jitters, UK's real estate industry is showing some signs of resilience on the back of better economic fundamentals, low supply & a relatively sound employment market.

More than 3 months have passed since 23rd June, when in one of the landmark moments of History, UK voted in favor of quitting the European Union, an association that had lasted for over four decades.

The critical decision, for which the whole world has been waiting anxiously for a while, was immediately followed by a slew of shockwaves felt in the economic & commercial walks of things. The pound nosedived against the dollar, stock markets plummeted & yields on government bonds almost got halved in a month.

After initial jitters, UK's real estate industry is showing some signs of resilience on the back of better economic fundamentals, low supply & a relatively sound employment market.

The negative jitters had also been felt in the UK's real estate industry that otherwise was rallying ahead over the past few years. This forced major UK based funds such as Standard Life, Aberdeen & Aviva Investors to put a freeze on the withdrawal. Average prices of residential & commercial real estate, got corrected by around 2.6 & 5% respectively between 23rd June & end of August.

Amongst the analysts & opinion builders, the ongoing apprehensions about the UK's economic future intensified with many opining of a mild recession to be unfolding soon.

Signs of Bouncing Back

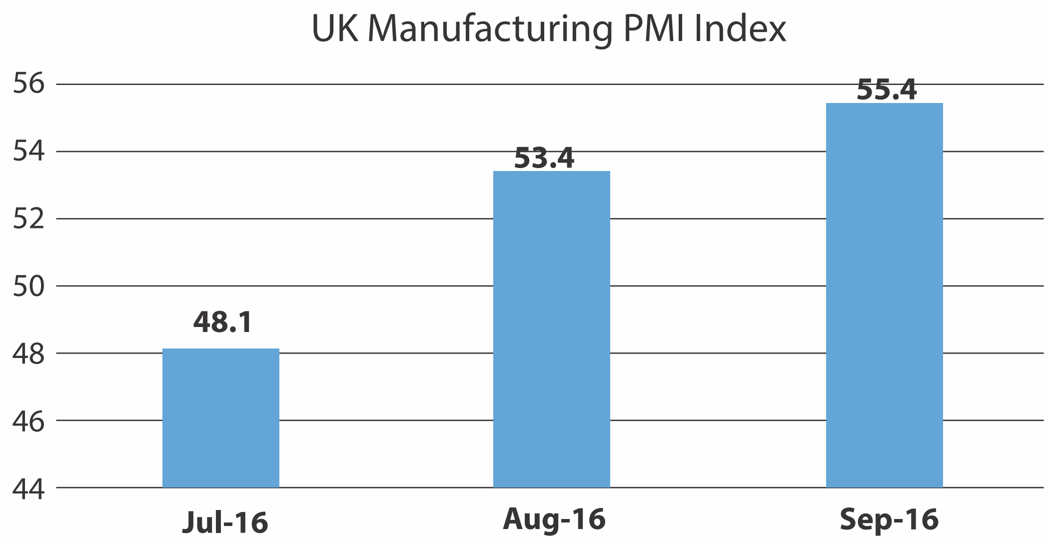
However, it has been over 3 months of the landmark decision & the economic fundamentals of UK appear better than what was prognosticated earlier.

Both the service & manufacturing sector has witnessed growth in terms of numbers. Service sector that accounts for around 80% of the UK's economic output has been one of the major growth drivers in the recent times. After the referendum of 23rd June- between June & July, the service sector in UK has surged ahead by around 0.4%, higher than 0.1%, that was estimated earlier.

Similarly, the manufacturing sector in UK has also demonstrated resilience during August & September after suffering headwinds during the month of July.

Service sector that accounts for around 80% of the UK's economic output has been one of the major growth drivers in the recent times

In August the Purchase Manager Index (PMI) has risen to 53.4, a five-point surge after reaching its nadir in last 41 months at 48.1 during July.



The surge has been driven with the help of rise in domestic & international demand, with the later further augmented due to a weaker Pound. The PMI further rose to 55.4 in September.

The resilience shown by the economy in recent times have led the IMF to raise its growth forecasts for UK to 1.8% for 2016 from 1.7% before.

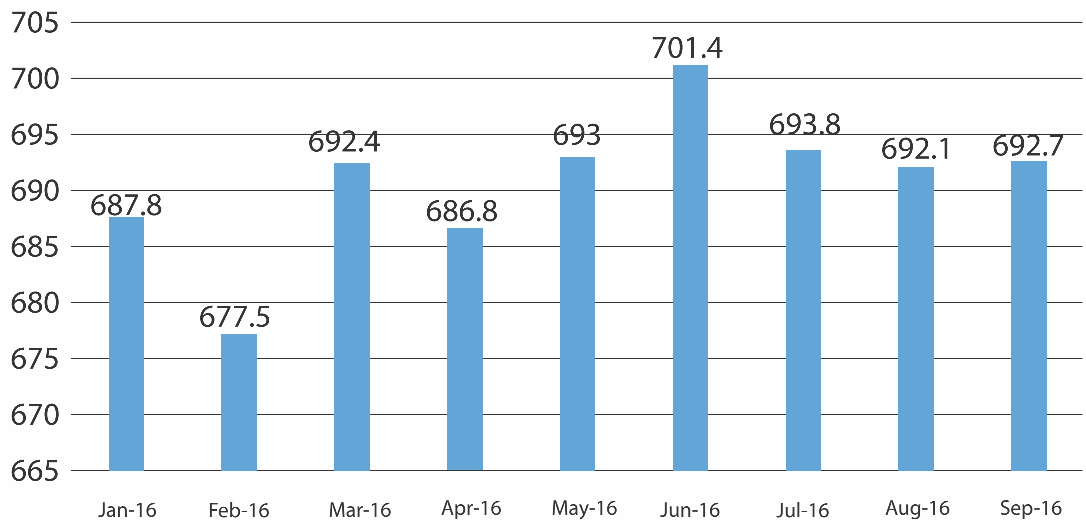
What Lies Ahead for the Real Estate in UK

After initial price corrections, the real estate industry in UK is also demonstrating signs of recovery with uptick witnessed for the month of September, in the Halifax Housing price index, that is compiled based on a sample of mortgage data covering around 15,000 house purchases per month.

Similar positivity has been observed in the commercial market with developers looking upbeat for the 1st time in the month of September after the referendum. As per the report by Savills, the international real estate advisors, there has been an increase of over 12% in the commercial development activities in UK during September. The growth in commercial development has been driven by rise in private sector projects.

Industry insiders believe that positivity should sustain in the residential & commercial realty sectors in the times to come.

UK Housing Price Index. Source: Halifax



A sound job market can further continue to give positive push to the UK's realty sector. During BREXIT, there was some degree of disquiet that UK's departure from EU might stimulate some of the London headquartered MNCs to scout out new destinations to shift their head offices. The usual choices were Eurozone cities such as Paris & Frankfurt. There were further fears that such an exodus might result into job cuts & relocations.

However, it has been a quarter & it appears that a large-scale relocation might not be on the cards. As per the survey conducted by ONS during May-July, the rate of unemployment has been estimated at 4.9%- down by 0.6% on a Y-o-Y basis.

The downfall in the value of Pound & record low rates of mortgage could be other growth drivers. A pound going down the slope is enticing some international investors to consider investing in the more affordable UK's property market.

Although, exchange rates are not the major decisive factor when it comes to making real estate purchase, international investors with large cash in dollars are looking forward to UK's realty asset classes, as revealed by some local brokers.

There is also high speculation that the central bank might further cut its rate, which will make home mortgage cheaper in the times to come.

Conclusion

It is early to form an opinion with respect to the dynamics of UK's real estate industry. Most of the industry insiders are still in a wait & watch mode to evaluate, exactly how the industry will react in the times to come.

At present the relationship between the price movement of properties & the EU referendum could be best described as inconclusive. But yes, looking at the health of UK's present economic dynamics, it could be safely said that it had successfully shrugged off the initial jitters, wherein most of the analysts & experts warned of harder times ahead.

Downward pressures, emanating out of BREXIT is there to stay but so should the counter currents that should mitigate the same. Driven by a surge in service & manufacturing sector, UK' economic health looks decent at present. Coupled with a limited supply of stocks & cheaper home mortgage, the real estate sector should be upbeat in the times to come.

Eurozone contributes just 5% of the UK's total service sector export. Given the sector's strong hold in UK's economy, the economic impact of leaving the Eurozone might be limited, in the times to come.

However, there are areas of concerns whose impact on the overall economy is yet to be completely unfold. One of them surely is the way value of Pound is pounding down the slope. A weaker pound can boost export but will also translate into higher import costs. With the current account deficit estimated in tune of nearly USD 22 billion (in August), this might be detrimental to the economy. However, the government's emphasis on raising the export could bridge the present gap in current accounts.

Investing in Start Up

What if, you had invested in Facebook before it became FACEBOOK?

Facebook is a success story which has inspired millions of investors globally. Founded in 2003, it is one of the most valuable companies in the world today with a current valuation more than US $ 350 Billion.

Facebook, along with a host of start-ups in the past such as Uber, Snapchat, Ali baba, Airbnb etc. have been short & convenient platforms to create new age millionaires. An initial investment in the range of few thousand dollars in such ventures have given multifold results, in tune of millions of dollars.

But, such unprecedented investment opportunities are rare. Looking at the phenomenal investment opportunities associated with upcoming start-ups, International real estate advisory Square Yards, brings a unique Convertible offer.

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The company that has been founded by a host of investment bankers of international repute, is today counted as a rapidly emerging player in international & Indian real estate arena.

The unique deal is generating quite a buzz in investment circles with attractive returns and structured options. The investment offer that is targeted at the international investor fraternity & does not include Indian residents, starts at a small ticket size of just USD 3k, making it within the reach of a large bunch of investors.

International Events to learn more about Investment Opportunities

To make investors become more aware about the unique investment opportunity, Square Yards is conducting a string of event in various international destinations such as New York, Hong Kong, Dubai, Doha & Abu Dhabi.

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The events will offer a one to one opportunity to interact with the stakeholders of the company & learn more about the distinctive investment proposition. The one to one interaction will offer a great opportunity to the discerning investors to know more about the product & receive all relevant clarification about the investment.

Once in a lifetime Investment Opportunity
Here is a list of key reasons why you can't afford to miss this opportunity to invest in a global real estate start up.
Potentially multi-bagger returns; higher than Equity/Gold /Real Estate /Debt instruments – Square Yards, a global real estate transaction platform has grown exponentially, and created more value than Equity/Gold/Real Estate or other investment options. In just three years, the start-up boasts a GTV of over USD 1 billion, a distinction not achieved by any other player in the industry.

In next three years, the deal is expected to give a return that will be tremendously higher than other available investment options.

- Innovative convertible offer – The convertible offer has an option to be converted to equity in the next funding drive at a 20% discount. This makes it quite a deal. Even if the investor does not want to get equity, he can still exit after three years with redemption premium of 5% per annum.
- Proxy to real estate sector growth in India – Investors can participate in the real estate growth story in India by proxy without the inherent market or developer related risks. India's property market is still under served and fragmented and provides a lot of opportunity for growth.
- Low Ticket size and guaranteed returns – The minimum ticket size is just USD 3000 on top of which an investor can expect returns up to 17% per annum.
- Hop on the Start Up Bus – Start Ups offer excellent opportunity for capital appreciation as the company is still growing and it is the beginning when the time is ripe for a favorable investment. It makes a lot of sense, investing in a real estate focused start up as the sector is expected to grow up to USD 853 Billion by 2028.
- Strong Fundamentals – Square Yards is a real estate startup which has already established a leadership position in a short period. It has a $25 Mn+ annual revenue run rate and has a global presence in ten countries.

Investor Guide

Investment Multiplier Carnival (IMC): A Bonanza for Real Estate Investors

Bling Event, Asia's biggest real estate focused advertising & marketing agency is bringing a unique concept to the national capital, that could be a treat to the real estate investors in the city.

Looking at the rising interest amongst the investor fraternity towards real estate as an effective tool to optimize investment returns & rationalize risks, Bling is bringing a wide range of real estate assets class to Noida, through its two-day event named as Investment Carnival Multiplier (IMC).

IMC will be held on 5th & 6th November' 16 at Radisson Blu-L2, Sector 18, Noida. The event will take place from 11:00 AM to 8:00 PM.

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What is so Unique about IMC

Real estate centric events are not new to India, as the trend is catching up fast & has been very popular in the recent times. Such events offer, a range of properties under one roof, thereby providing lot of convenience to the buyers.

However, there are three fundamental features, that differentiates IMC from other events of its kind. Firstly, IMC is not just an event but a complete investment platform. It is centered around not just promoting properties but also towards disseminating the right knowledge to the discerning buyers about making suitable risk free real estate investment.

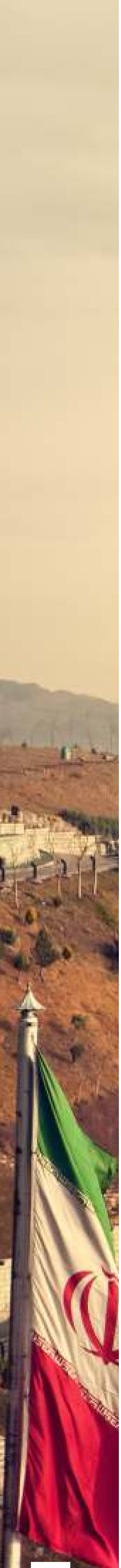
Secondly, strong homework is done to carefully select the right kind of properties cutting across a wide list of residential & commercial properties. These are products associated with high return & low risk, thereby giving a complete peace of mind to the buyers.

Thirdly, the unique event is also associated with structured deals & other financial largesse that can be an added advantage for the investors.

Who Should Visit IMC

Anyone with an investment objective & inclination towards real estate can come & visit the IMC event. This might include, individual investors, corporates, funds & Private Equity Players. Precisely anyone with an intention to multiply their wealth are welcome to join this event.

Even if someone is not willing to make an investment soon, can still be part of the event to understand the nuances of real estate investment.



Opening up of Iranian Market & its Impact on Dubai Real estate

With gradual opening of Iranian economy after the lifting of economic sanctions, a possible realignment in the regional economy & investment pattern might unfold in the coming months.

Last year, Iran had negotiated deals with major global economic forces (E3+3- UK, Germany, France, USA, Russia & China). The deal has stipulated to lift the economic sanctions on Iran under the condition that the country will annul all its nuclear weapon programs.

The deal has been put in effect by January, this year. Although US banks & companies are still not allowed to do trade with Iran, EU companies & banks can engage in oil & non-oil trade with the country. This has started facilitating, the reintegration of Iran into international trade & it gradual reconnection process with global financial markets, with the daily petroleum output reaching its pre-sanction levels.

A remerging & buoyant Iran will also entail significant impact on the regional real estate dynamics. Dubai because its geographical proximity along with a strong trade tie-ups & its status as a regional hub for investment is well positioned to leverage the new unfolding patterns.

Investments in Dubai in the Past

In the past as well, Iranians have been aggressively investing in the Dubai real estate with prime focus on micro markets such as Emirate Hills & Dubai Marina. However, as it is very difficult to move money to & from Iran, due to the sanctions, Iranian investments in Dubai has been going down the slope the sanctions have been imposed.

It should be noted that before the ban, Iranians were the fourth largest Investor community in Dubai's real estate market after India, Briton & Pakistan. Iranians were also the biggest cash buyers in Dubai market, accounting for around 12% of the cash deals in 2012. However, compare this with just 3% of cash deals in Q1 2015- a drastic decrease in the sanction era.

Additionally, as the ban had made difficult for Iranian nationals to avail loan from UAE based banks, Iranian interest in Dubai's real estate further suffered.

Trends Expected to Change

However, after the uplifting of the sanction, the recent trends might reverse. A total investment in tune of USD 13 billion will be made into UAE, according to estimates by IMF. This will translate into over 1% of GDP gain for the second largest GCC economy.

Similarly, it is believed that a large amount of money is parked in Iran. In the post lifting of ban, these capitals should start finding its way into Dubai & other regional investment hubs, with real estate being one of the prime receptors.

Other than residential, there could be an increase in demand in the commercial asset classes as well. Money movement out of Iran will imply that Iranians might look forward to start their own ventures & as an epicenter of the Middle East region, Dubai will be natural choice. This should translate into increased sales of small commercial units in micro-markets such as International Media Production Zone (IMPZ), Business Bay, JLT & much more.

The real estate sector in UAE will also benefit from the fact that, lifting up of sanctions will hugely benefit the Iranian economy as well as there will be pick up in trade & financial flows. A rise in economic well-being will again indirectly benefit Dubai & UAE's economy & its real estate sector.

Both Iran & UAE have been traditional business allies. Even during the times of sanctions Iran & UAE remained strong trading partners with Iranian trade with UAE estimated over AED 60 (USD 16.35) billion in 2014
Over USD 100 billion of Iranian assets have been frozen in international markets. Iran now have access to this capital & it could be used to ramp up its trade & infrastructure, giving further boost to its economy.

The Iranian investment in Dubai/ UAE real estate can also be explained on the basis of the large volume of Iranian expatriates living in UAE. Presently over 400,000 Iranians stay in the gulf country. Likewise, around 9,500 Iranian companies are registered in UAE.

An Economic Turn Around

Iran with a population of around 80 million & a GDP size of USD 400 Billion, is an emerging economy. It is also touted as a diversified economy with various non-oil sectors such as manufacturing, professional services, hospitality playing crucial roles.

After the global sanctions, the economy contracted by around 10% during 2012-13. It further moved down the slope in subsequent years. But with lifting of Ban, a positive outlook is expected in the coming time. Due to a lower economic base & surge in oil export, Iran might offer a GDP growth rate in tune of 6-8% in the times to come.

The Road Ahead Might not be Unchallenging

The prospects of Iran will also be subject to how things will shape in the times to come. Although the leadership in USA in committed towards reintegration of Iran in the global markets, USA's present stance of no involvement with Iran is not going to change soon.

Iran's regulatory framework is also believed to be very outdated & not in tune with international standards. A lot would depend on how well the subsequent political, economic, regulatory & trade strategies are prepared & deployed between, Iran, other regional players & global power centers.

However, for the time being, it could be safely presumed that every stakeholder involved in the dialogue appears to be serious. After a stumbling economy in the sanction era, Iran is taking proactive steps to make a comeback. It is overhauling its financial markets to finetune it with the global dynamics. The latest one being, introduction of credit cards in Iran, a phenomenon that was not seen before.

Chances are high that in the times to come, passing through the convoluted passage of international geo-politics, Iran could secure a better economic position for itself. This will surely be a boost to the regional economics, with the real estate being one of the key beneficiaries.

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