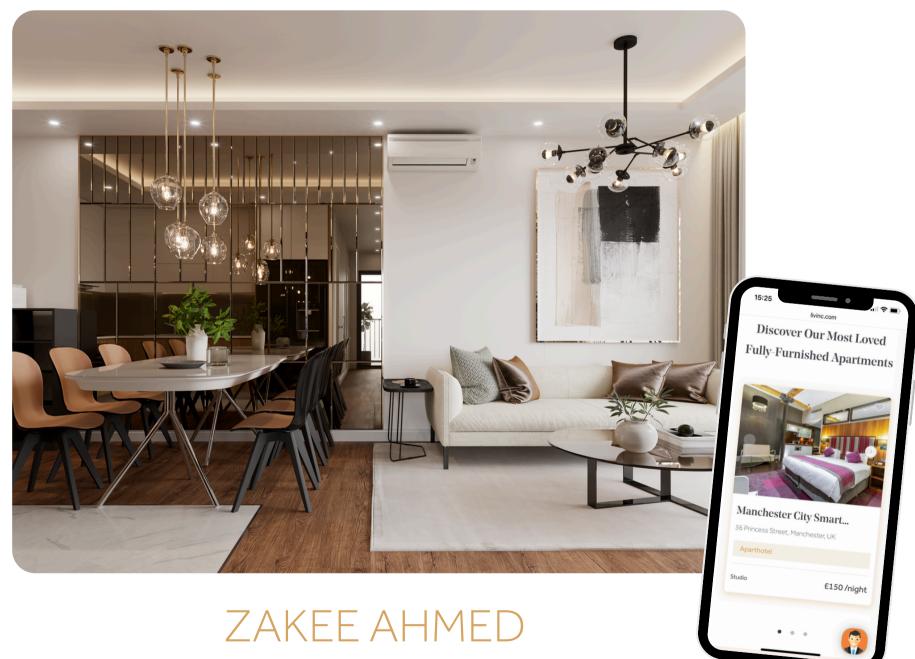


THE HEART OF FLEXIBLE LIVING



ZAKEE AHMED FOUNDER & CEO Urban Living MEA

12 November 2024

Rove Hotel, Dubai

Changemaker
Case Study, New
Urban Living
Investment
Models

Introduction

My background

Livinc

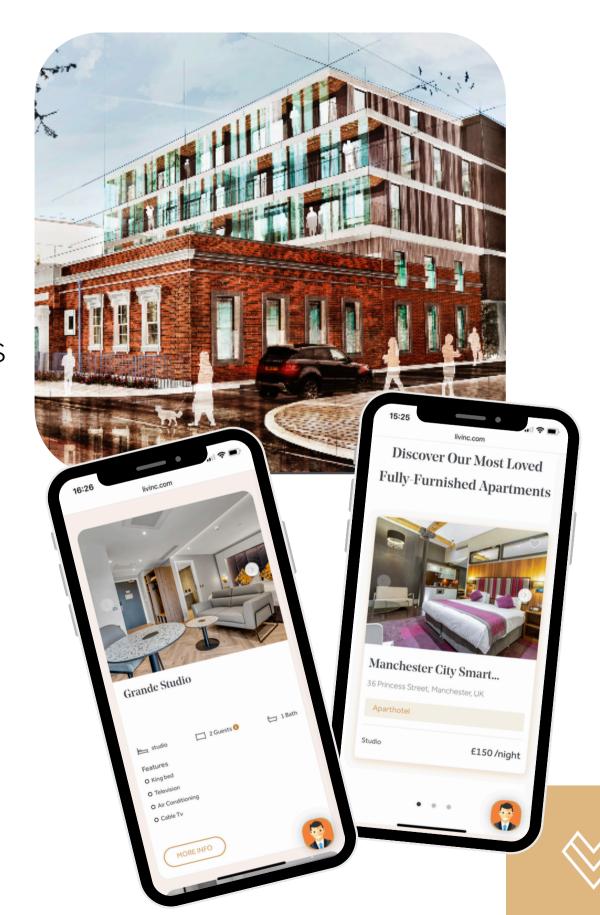
- 1. Coliving (Housing-as-a-service) developer and operator
- 2. Building the preferred rental platform for monthly, flexible stays

Our Mission: to create and connect living spaces globally

- Flexibility
- Community
- 5* Quality

Today

- 1. Our business model
- 2. Coliving as a rapidly emerging asset class in the Middle East



Livinc is powered by the Parklane Group

OUR BRANDS







SALES AND LETTINGS FOR STUDENT, PROFESSIONAL AND COMMERCIAL MARKETS FOUNDED 1979



STYLISH AND FLEXIBLE APARTHOTELS FOR CITY CENTRE LIVING FOUNDED 2006



ALL-INCLUSIVE STUDENT LETTINGS FOUNDED 2008



THE HOME OF MODERN GOLF IN THE HEART OF YORKSHIRE JOINED THE PARKLANE GROUP 2011



PROVIDING CO-WORKING SPACES FOR TOMORROW'S GENERATION FOUNDED 2018



SELF-DELIVERING MAJOR CONSTRUCTION PROJECTS FOUNDED 2019

1979 2006 2008 2011 2015 2017 2018 2019







ELEVATING STUDENT LIVING BEYOND ACCOMMODATION FOUNDED 2015



A DISRUPTIVE PROPERTY
CROWDFUNDING INVESTMENT
PLATFORM
FOUNDED 2017

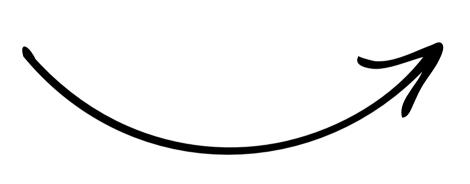
111C

A WORLD-CLASS COMMUNITY
DEVELOPMENT WITH
SPACES TO VISIT, WORK,
LIVE, STAY AND PLAY
FOUNDED 2018



The problem for renters

Inflexible Lease Terms



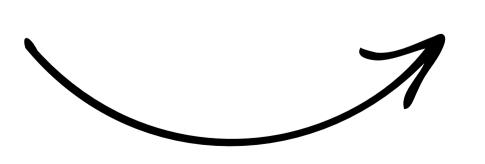
Urban Professional (21-40)

Upfront costs



Fragmented Search
Journey





Direct

Listing platforms (Dubizzle)

OTA's (Airbnb)

Estate Agents





Flexible rental terms

No extra bills

Move-in ready

Livinc concierge

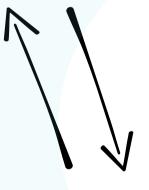
5* facilities

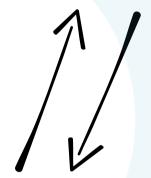
Livinc: Live or Work, Anywhere

Landlords & Operators

2

Livinc & Coliving

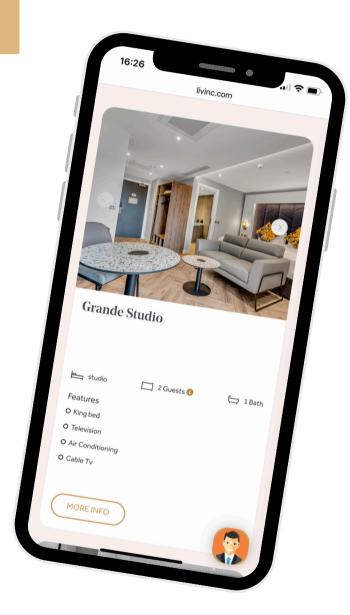




1 Booking Platform



Residents (D2C) Corporates (B2B)

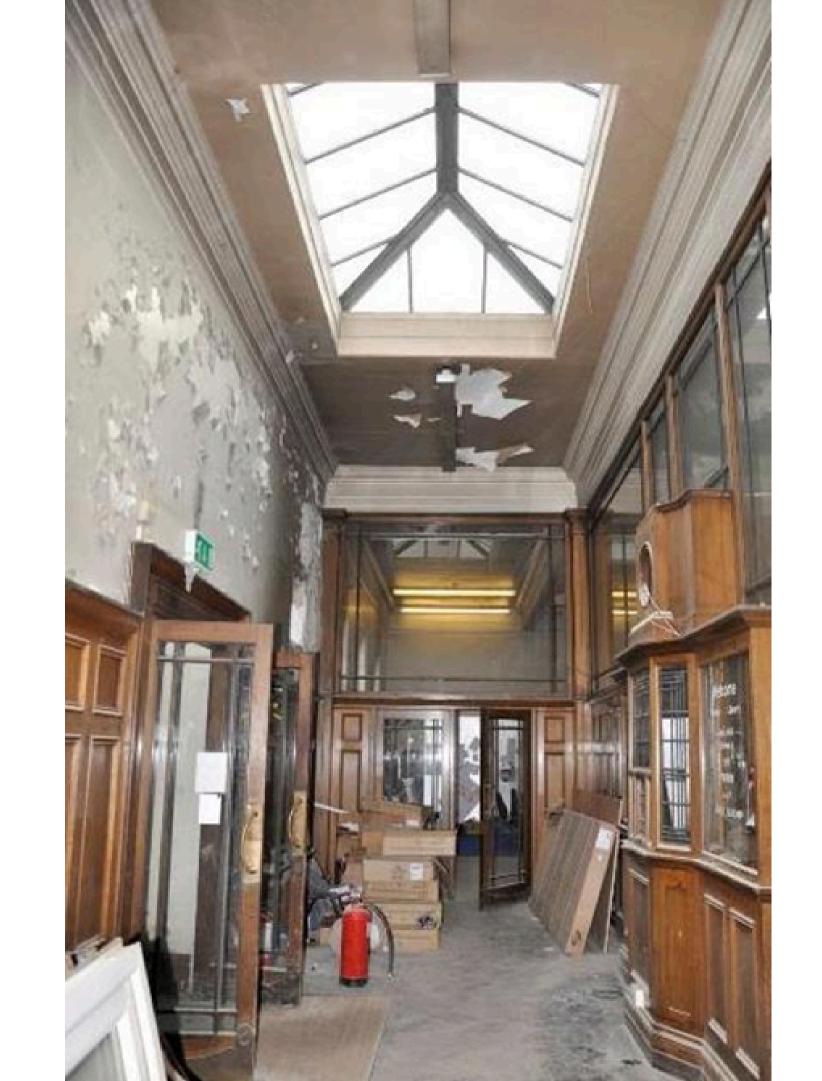




Livinc: The Library

We are currently redeveloping a grade II listed former library to the first coliving site in the city

We plan on turning this...



Into this...













Livinc: Live or Work, Anywhere

Remote workers

Business

Travellers

Digital Nomads

Relocators

Expatriates

5* Facilities

Flexible rental terms

No extra bills

Move-in ready

Livinc concierge



Market Overview

To appreciate the potential for coliving, we need to review the demographic and economic makeup of the region.

Young professionals, expats, and remote workers 80% expats | 25-40 years

65% of young adults (18-34) in the region feel isolated.

Growing influx of new millionaires and other HNWIs into the Emirates and domestic real estate market

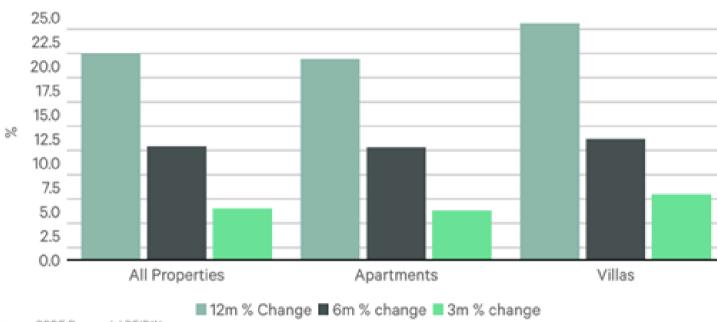


In the first six months of this year, average residential rents grew by 21.1%

Almost 300,000
rental controls
registered, up over
50% from 2019 and
almost 6% from 2023

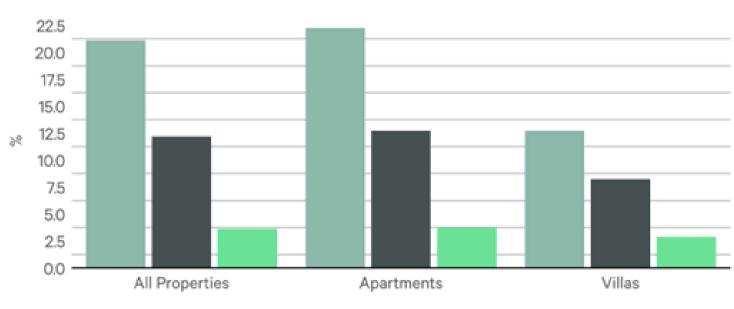
Rental prices are rising in Dubai

FIGURE 10: Dubai, Residential Price Performance, % Change to June 2024



Source: CBRE Research/ REIDIN

FIGURE 11: Dubai, Residential Rents Performance, % Change to June 2024

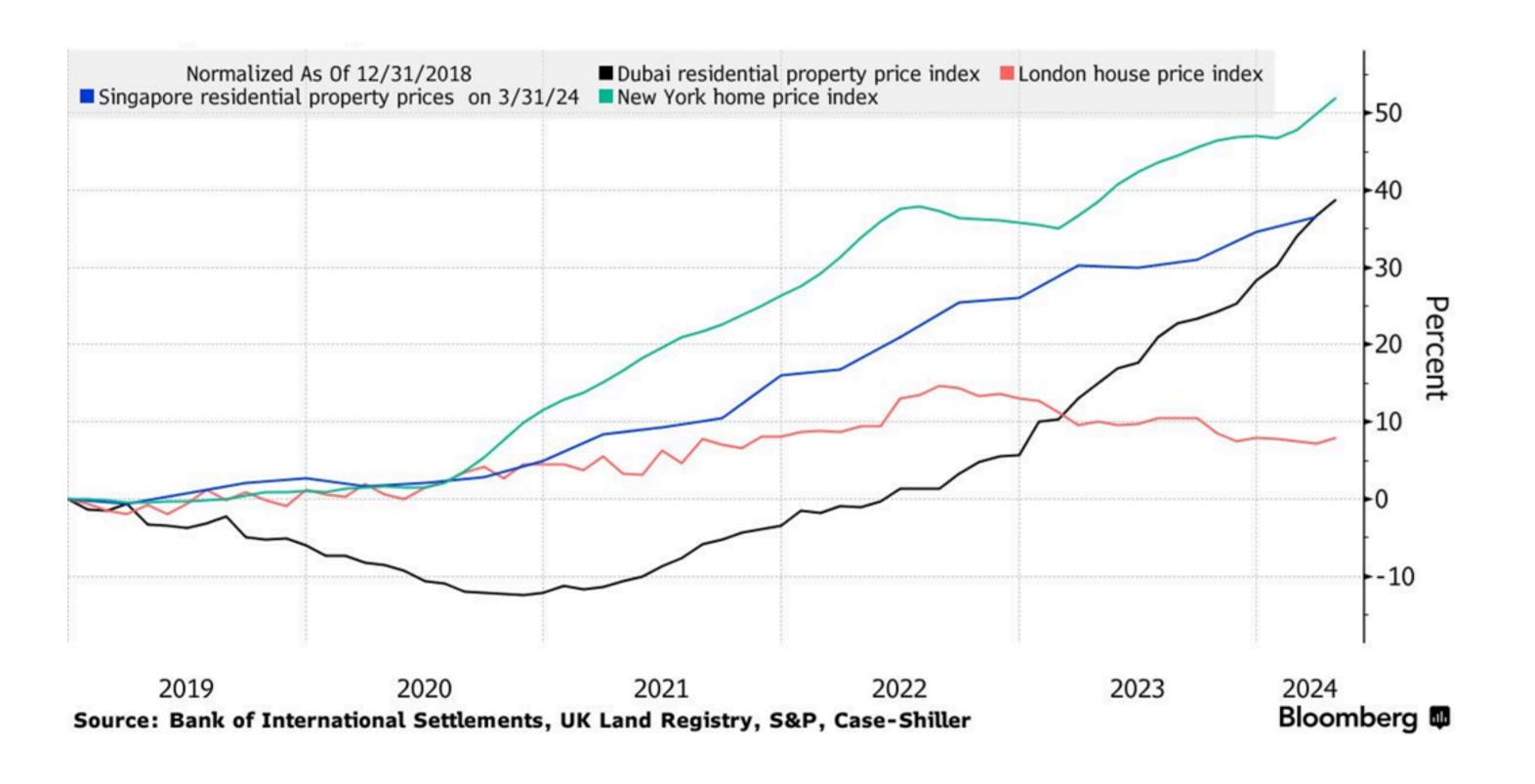


■ 12m % Change ■ 6m % change ■ 3m % change

Source: CBRE Research/ REIDIN



Dubai's property prices are rising

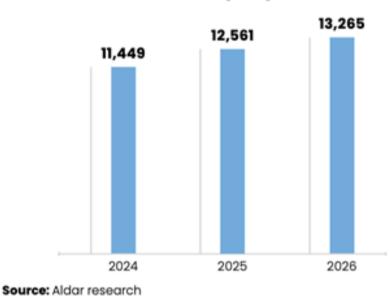


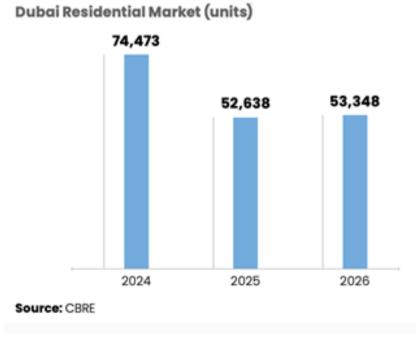


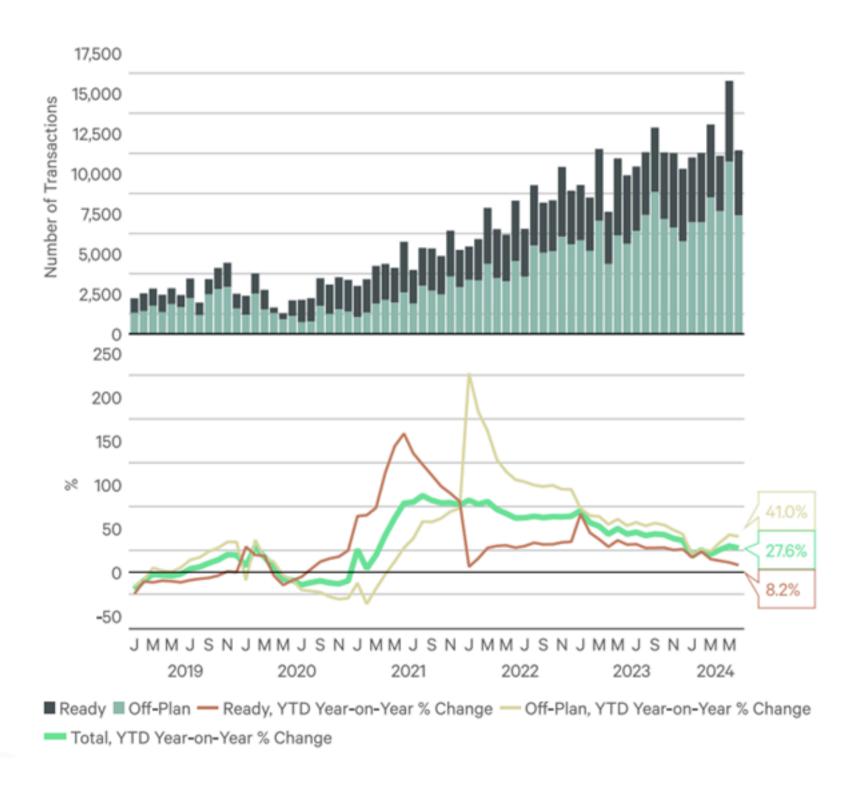
Off-Plan sales are dominating

Future residential supply by year (2024 - 2026)

Abu Dhabi Residential Market (units)







Resi Off-Plan
Abu Dhabi
AED 36 Billion
(+200% 2022)

Resi Off-Plan Dubai
AED 203Billion
(+50% 2023

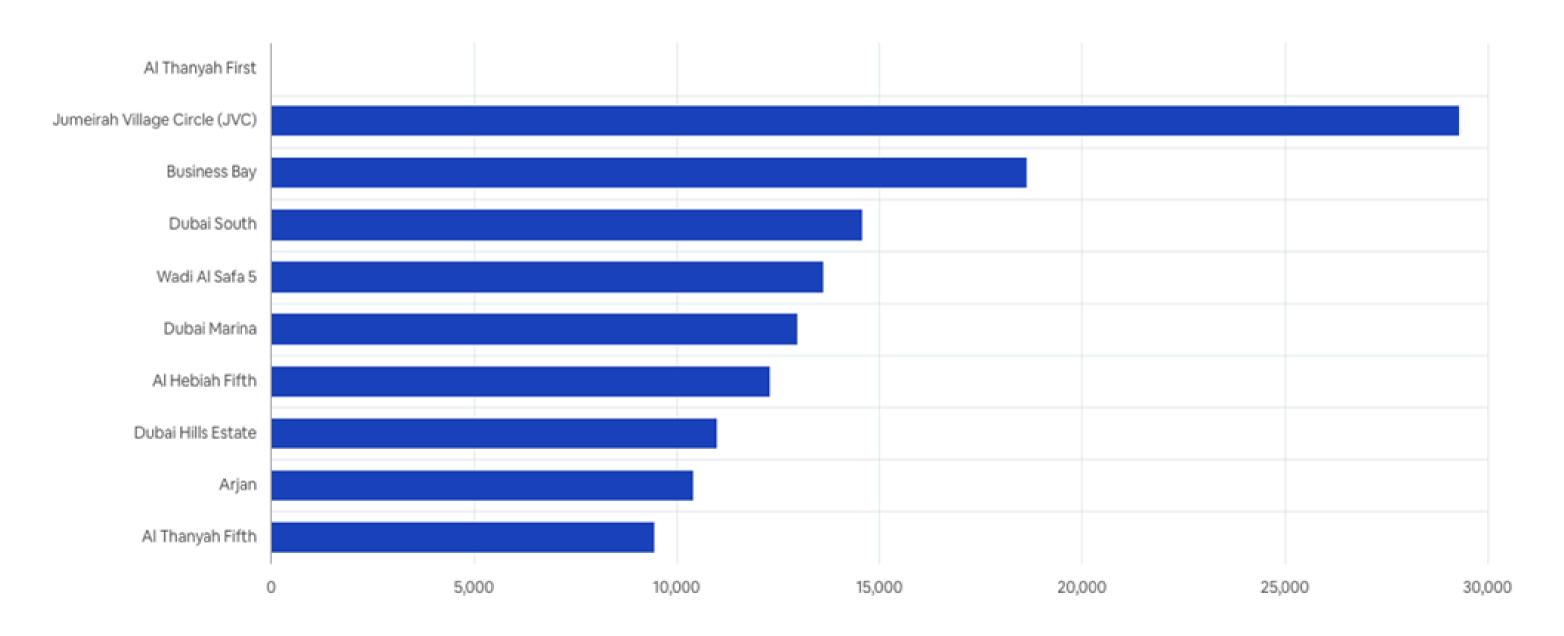


But, almost 50% are overdue



Developers are targeting single-family zones

Future property supply in Dubai by area





But, with Buy-To-Sell schemes



High quality finish

Trusted developers

Area-specific supply



Limited community

Limited flexible leases

Doesn't tackle loneliness

No social interaction/isolated living





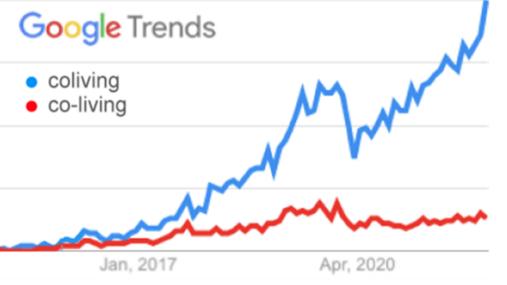
COLIVING...





What is coliving?

Feature	Housing as a Service (HaaS)	Traditional Housing
Flexibility	Short-term leases, often month- to-month	Long-term leases, typically 6-12 months
Furnishing & Amenities	Fully furnished, with utilities, Wi-Fi, cleaning, and amenities included	Typically unfurnished, tenants set up utilities
Move-In Ready	Immediate move-in with everything provided	Requires time to furnish and set up
Community Focus	Emphasis on social spaces, events, and shared experiences	Primarily focuses on individual units
Management	All-inclusive service with property management, maintenance, and support	Landlords may offer limited support
Target Audience	Digital nomads, young professionals, expatriates	Families, long-term residents





Coliving rips up the rule book



Lease-up period of 1 to 3 months to achieve stabilised occupancy levels of 95-99.9% (UK)

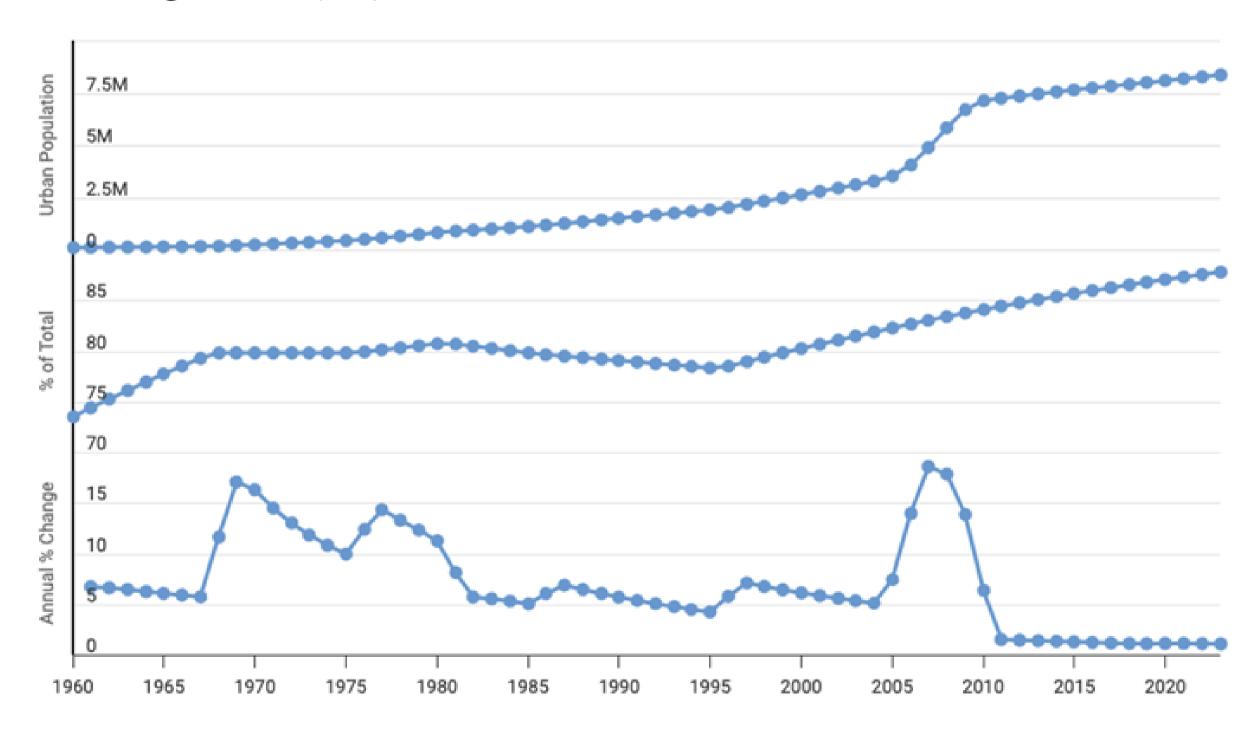
High resident satisfaction

Resilience asset with a diversified tenant mix



Coliving Market Size in Dubai

Growing urban population



Coliving
market size in
Dubai is
around
400,000
people



Coliving in the Middle East

UAE

- 3500 units (live and pipeline)

Saudi Arabia

- 70% of the population is under 35

Qatar

- Newer concept
- Younger product





Wide resident mix with above-market occupancy levels (20% of coliving spaces are leased by remote employees on extended stays)

Next-generation solution

Coliving for investors

1

Market Demand

Investors are paying close attention to potential opportunities from the growing amount of co-living products and from growing market acceptance and demand. 2

Lender Mandates

Numerous lenders are providing construction and/or permanent debt capital to co-living developers and owners given their "affordability mandates".

3

Risk Mitigation

Compared to conventional units, co-living demand currently outstrips supply ensuring low vacancy. Higher rentals enable greater and stable incomegenerating opportunities.



Higher long-term income yield

compared to residential and hotel assets



Increasing investor appetite as emerging value-add market segment



Adaptive reuse (or repurposing e.g. hotels) as core **portfolio diversification strategy**for private equity funds



Partnership/owneroperator models

(including fund investors) focusing on long-term stable cashflows



Coliving: Potential for growth

Coliving is still an early opportunity

(36,000 units worldwide, across over 1,650 properties, in 65 countries)

An undersupplied product

(growing 15-20% annually to \$13 billion by next year)



Challenge 1: Cultural Resistance to New Housing Models

Models that emphasise family and private space dominate the market

Developers must ensure design of shared living spaces respects local customs, whilst fulfilling coliving promises



Challenge 2: Regulatory and Legal

Zoning laws, and land use regulations, need to be conducive to coliving schemes

Legal frameworks may be a challenge for foreign investors to navigate the local landscape

Dubai Municipality introduced regulations for "shared housing" in 2021, allowing landlords and operators to create spaces that cater to multiple tenants under one roof



Challenge 3: Economics

High development costs can be high, due to amenities and pressure to be above-market

Securing resident demand is pivotal



The future for coliving in the Middle East

- 1. Rapid Urbanisation and Expat Influx
- 2. Government Support & Economic Diversification
- 3. Repurposing Office Space
- 4. Creating a new tech-driven coliving product as a premium, community-driven housing solution

Double-digit annual growth rates over the next 5 years, especially in Dubai and Riyadh.





Thankyou



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