

The temperature is soaring in Dubai and despite the almost unbearable heat there is no apparent let up in the speed of developments seemingly springing up from every available patch of sand. There is still a good amount of interest in the Dubai property market from both local residents and overseas investors. The summer months give us time to reflect on the progress of just some of Dubai's numerous developments and look at some of the issues facing the market.

There are now a large number of property owners living in Dubai who are waiting as patiently as possible for their new homes to be completed. Some of these individuals are luckier than others, with the project and their home completed on schedule. The implications and knock on effects for delayed completion however can be significant and very inconvenient dependent on the buyers' circumstances. Many of those who are already living in Dubai and waiting for a property to be completed will undoubtedly have timed their rental contracts to coincide with the handover of their home. Understanding landlords may allow monthly extensions however in a market where rental properties are still in relatively short supply tenants could find that they need to renew for the usual twelve months or else face the prospect of finding suitable temporary accommodation, the latter of which is very difficult to find.

The first residents to take possession of their properties in any new market can undoubtedly expect a few teething problems and this has been no different in Dubai. The Arabian Ranches is shortly to start welcoming owners of phase three, Mirador. The development is due to complete on schedule and from our discussions with those who have visited their homes they appear relatively trouble free with only minor 'snags'. This seems to suggest that the developer has learned from experiences faced in the Meadows and subsequently Saheel and Savannah.

It has been well publicized that some of the owners of the popular Jumeirah Islands villas were less fortunate with their property buying experience. Long delays of over 12 months frustrated owners waiting to move into what was for many their dream home. Numerous 'snagging' issues meant further delays, whilst the developers' contractors worked hard to rectify any problems. No matter where in the world that you buy a new property a few 'snags' can be expected but owners were surprised at the sheer number of areas needing attention in this premium development. To our knowledge these are now largely resolved and the majority of owners have taken possession of their homes and are happy with the results.

Dubai's signature development the Palm Jumeirah is expected to welcome the first residents later this year. Owners of a number of the Shoreline Apartments and Villas will move into their part of what has been hailed as the '8th wonder of the world'. This premium project has suffered a long list of delays but these have perhaps to be excused due to the sheer scale of the project and amount of engineering that has had to go into the successful reclamation of the land and completion of the units.

Downtown Dubai appears to be increasing in popularity with prospective purchasers. The area is conveniently located adjacent to the Sheikh Zayed Road and is an ideal home for many of Dubai's executives who work in many of the numerous offices in the locale. Up until recently those wishing to live in that area were only able to rent apartments owned by local nationals. Apartment buildings such as the Burj Residences offered residents and investors an alternative. The apartments are completed but owners are experiencing ongoing delays, due to the services in the area.

Looking longer term, projects nowhere near completion are being delayed by developers. The reasons vary as do the lengths of the delays. Owners of properties at the new villa project Victory Heights have already been warned of possible delays by the developer although they believe that they are currently on schedule. Whilst any delays are far from ideal for those looking to move into the property themselves a delay at this stage is much easier to manage. Many of those who invested into this project and bought villas were attracted by the Bureau Veritas certificate that will be issued on the properties. This company specializes in quality management, giving buyers peace of mind that the quality of the build and fittings are up to standard. The appointment of such a company by local developers perhaps suggests that recognition is being given to the fact the owners of Dubai properties will not accept below average work.

Dubai has undoubtedly done an excellent job in promoting itself to the world as the place to live, work and visit on holiday. This has led to the emirate featuring heavily in the eyes of the international media. The attention that has helped the economy develop at such a relentless pace must be treated with care. The press, particularly in the UK is always on the look out for the next piece of scandal to adorn its pages and fill the airwaves. Stories of developers disappearing part way through a project, such as the Lighthouse in Dubai Marina do not help investor's confidence. Couple with this, reports of unhappy investors who have either been duped in to something which isn't as promoted goes a long way to damage the reputation of Dubai's property market. What is important to remember is that these problems are not restricted to Dubai, we have seen this before in other markets in Europe and further a field. The reason that the situation in Dubai is escalated is the largely down to the sheer number of developments under construction and amount of media attention.

There are many theories surrounding the future of Dubai's property market. Developers are, it seems, starting to learn from experience and listen to the demands of investors. Buyers are being informed of any delays as and when they occur, full specifications of units are becoming more common, international benchmarks are being put in place and agents are being provided with documentary evidence of ownership of plots and building permits. Investor confidence is essential to the future of this market. Opportunities to achieve attractive rates of growth and high levels of income do exist. Research and use of a good real estate agent will help you to make an informed decision.