

The Saudi Vision

THE KINGDOM OF SAUDI ARABIA REPRESENTS A RETAIL OPPORTUNITY LIKE NO OTHER, AND DEVELOPERS ARE CONTINUING TO USE THIS TO THEIR ADVANTAGE. HERE, RLI TAKES A CLOSER LOOK AT JUST SOME OF THE OUTSTANDING PROJECTS ACROSS THE KINGDOM.

ABRAJ KUDAI DEVELOPMENT, MECCA
DEVELOPER: MINISTRY OF FINANCE

Last year, Saudi Arabia witnessed the Kingdom's historic Vision 2030 and the accompanying National Transformation Programme, both of which call for a major overhaul of the state's economic apparatus and envision a more open market framework and more dynamic, private sector-led growth moving ahead.

According to Oxford Business Group's 'The Report: Saudi Arabia', with high levels of consumer spending in 2015 and early 2016 despite recent macroeconomic pressures, Saudi Arabia's retail sector is widely acknowledged to be a bright spot in an otherwise challenging current economic landscape. Over the

past decade the industry has posted growth of 12 per cent on an annual basis on the back of steadily rising purchasing power among Saudi households and, concurrently, rapid investment in the Kingdom by domestic and international retailers alike.

The report also says that while the expansion of physical retail space is likely to continue for the foreseeable future, some players are simultaneously looking online for new business. Saudi Arabia remains considerably undersupplied in retail outlets in comparison to the majority of its neighbours, though there are signs that it is catching up quickly. With a large youth population and strong disposable income levels,



EMAAR SQUARE, JEDDAH
DEVELOPER: EMAAR PROPERTIES

the Kingdom's reputation as a major destination for top-tier mall developers and retailers is on the rise.

Red Sea Mall is one of the biggest shopping centres at Jeddah City and was opened in 2008, it is located at the northern suburbs on Malik Road. The mall has 242,200sq m built area, containing three floors of shopping and entertainment area, a five-star hotel, seven storey office building. The mall is currently in the middle of a large expansion programme that is being completed in three phases which will add over 20,000sq m GLA to the destination.

To be developed by Majid Al Futtaim, the Mall Of Saudi is an extensive shopping mall project located in Riyadh, Saudi Arabia. The project includes construction of a mall spread over an area of 866,000sq m which will include indoor snow parks and 300,000sq m of shops, restaurants, entertainment areas.

The first phase of the mall, located in the north of Saudi will include the opening of the mall, ski slope, a hotel and a serviced apartment building, as well as other general infrastructure. Future phases will include the development of the residential, office, medical center and hotel plots. The project is scheduled to open to the public in 2022.

In addition, Majid Al Futtaim is also working on City Centre Mall in Ishbiliya in Riyadh. The 100,000sq m shopping centre in the east of the capital will include 250 stores, a 9,000sq m Carrefour hypermarket, a food court and a Magic Planet amusement arcade when opened in the quarter of 2019. CallisonRTKL are the architects on the scheme whilst Zuhair Fayez Partnership has done the design works.

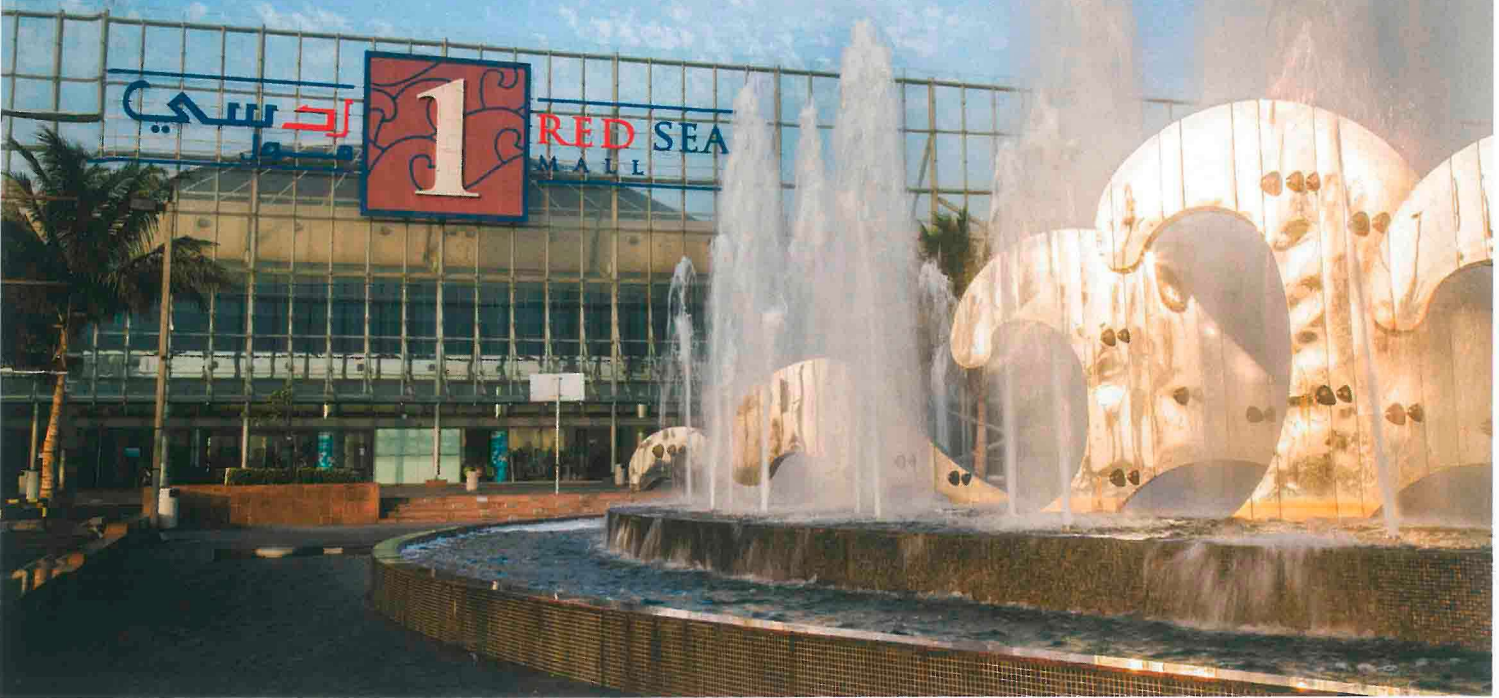
Meanwhile Emaar Middle East, a subsidiary of Emaar Properties, has begun handing over its Emaar Square offices at Jeddah Gate. With the final touches to the dedicated office precinct being completed, Jeddah Gate is billed to become a vibrant commercial destination. Emaar Square comprises three centrally commercial buildings



MALL OF SAUDI, RIYADH
DEVELOPER: MAJID AL FUTTAIM



JEDDAH ECONOMIC CITY MALL, JEDDAH
DEVELOPER: JEC



overlooking a central plaza with spectacular water features. A number of luxury retail outlets and a diversity of F&B attractions are situated by the plaza, while an executive office on the top of each building offers business centre amenities.

Currently under construction in Mecca and being developed by the Ministry of Finance, the Abraj Kudai development is set to be the largest hotel in the world, consisting of 12 towers standing between 30 to 40 floors on top of a large podium and three basement floors, the Abraj Kudai Development will have approximately 10,150 residential units and hotel rooms, along with a bus station, shopping mall, restaurants, food courts, a conference center and car parks.

The Avenues is a 170ha shopping mall that is being developed by Shumool Real Estate. The \$1.9bn retail facility will also feature two residential towers, two hotel towers, a medical tower, and a selection of office units. The project is set for completion in 2019.

Jeddah Economic Company is the result of a massive joint venture between a conglomerate of real estate and development colossuses. This alliance is composed of Kingdom Holding, Abrar Holding, Qila'a Jeddah Company and Saudi Binladin Group and will feature the over 1,000m tall Jeddah Tower with approximately 5.3 million square metres of new urban development to attract business and tourism.

Jeddah Tower will be home to retail, leisure and entertainment facilities. Jeddah Tower will be embraced by the 350,000sq m Jeddah Economic City Mall, offering indoor and outdoor retail, leisure and entertainment and several flagship department stores to form anchors at key locations on different levels giving access to the roof gardens and a 90,000sq m water area having a board walk, water features, restaurants, cafes, leisure and entertainment activities whilst linking the mall to Al Balad area, the Resorts area, and the esplanade under Jeddah Tower.

Mall developer Arabian Centres are currently working on many new projects across Saudi Arabia, Al Malaz Mall in Riyadh will be situated on Salah Ayubi Road in the Malaz district, the most populous district in Riyadh. The mall will be regional in size and will cater to a mid-market clientele, in a particularly densely populated area in the city of Riyadh. The opening of the two-floor mall is planned for 2018 on a total built-up area of 93,562sq m and 50,556sq m of gross leasable area.

Scheduled to open in 2018, Arabian Centres are also developing Jawharat Jeddah, which will be strategically located on King Abdul Aziz Road, crossing Assalam Street, Jawharat Jeddah will benefit from easy accesses and high visibility. The mall will be built on 260,000sq m of space and offer 152,500sq m of gross leasable area.

