



With Saudi Arabia's much-anticipated mortgage law expected to soon make residential loans a key part of both, banks' and real estate financier's lending portfolios, the 4th Annual Jeddah Urban Development and Real Estate Investment Event - Cityscape Jeddah is set to be the perfect platform for welcoming huge numbers of participants, from local and international real estate investors and developers to banking and home finance experts, as well as both government officials and key decision-makers towards providing a firm foundation concerning residential and affordable housing options.

The three-day event will open today under the patronage of HRH Prince Misha'al bin Majid bin Abdulaziz until March 4, 2013 and will take place at the Jeddah Centre for Forums and Events, comprising of a unique mix of specialized activities including a three-day exhibition, three-day summits on Residential and Affordable Housing Summit, Hotel Investment and Development and the Architecture Congress, currently in its second year.

Highlighting the significance of this year's event, Dr. Abdullah Bin Mahfouz, Chairman, National Exhibitions Company said, " We are delighted that, in addition to discussing the impacts of the upcoming mortgage law, which I expect to be landmark legislation that will be beneficial in allowing the Kingdom's real estate sector to grow and evolve into a powerful entity to contribute in strengthening the already strong Saudi economy, Jeddah Urban Development and Real Estate Investment Event - Cityscape Jeddah 2013, is already witnessing huge participation from residential financing companies reflecting the increased demand for home ownership across the Kingdom."

He continued that the event, in light of the increased participation of finance companies, will provide access to over 200 profiled players in highlighting crucial measures that must be followed in keeping up with the Kingdom's increasing demand for home loans, as well as key global strategies into 2025 and market conditions expected to govern project financing and the home finance market of the future towards promoting increased home ownership.

Commenting on the impact that the mortgage law will have on home finance firms, Naveed Siddiqui, CEO of Capitals Group International (CGI) said, " As the technical partner responsible for the build and launch of Bidaya, the new home finance firm, CGI has been following developments related to the mortgage law closely. We believe that the impact of the Mortgage Law will have a positive impact on Bidaya as well as the market overall. Any competition will be part of an overall framework, a bonafide industry that will contribute to the Kingdom's growth and increased home ownership. "

He added that the mortgage law will lay down clear requirements for firms, which aim to provide home finance as well as framework the rights and responsibilities of both financier and home buyer. "In addition, the law provides for the creation of a dedicated liquidity facility capitalized at multi billion riyals, which will facilitate the growth of the sector by acquiring mortgage portfolios from financiers and help to create a secondary market for mortgage securities. Once home finance is more regimented, with clear regulations and streamlined processes, we will see the effect of the law impact real estate projects, as well. Developers will more readily create supply that will have end buyers. All in all, the effects are positive for everyone. The critical part will be effective regulation so that each of these facets is observed and managed in an integrated, holistic fashion."

Commenting on reasons Jeddah Urban Development and Real Estate Investment Event - Cityscape Jeddah is

such an important event Naveed Siddiqui explained, "With the advent of the mortgage law and upcoming government initiatives such as REDF's financing guarantee programs, and PIF's promotion of a mortgage liquidity center, etc., there is a clear need for open communication and discourse between the private and public sector. These are critical initiatives that will shape the Kingdom's real estate landscape for years to come and both the public and private sector's concerns and interests must be addressed. Cityscape Jeddah is a perfect venue for promoting this type of information sharing, discourse and debate among industry stakeholders that is needed to foster innovation and reach consensus on best paths to follow."

Among other issues impacting the home finance market, is the Kingdom's current inflation rate. According to a report issued this month by Jadwa Investment, the Central Department of Statistics and Information (CDSI) has stated that overall inflation has increase year-on-year from 3.9 percent in July 2012 to 4.2 percent in January 2013.

Among the most significant aspect concerning the inflation rate is that in despite of the overall increase, the Kingdom's Rent and Housing Related Services sector has witnessed an accelerated drop in its inflation rate from 7.7 percent in August and 6.3 in December of last year to a current rate of 5.1 percent, the lowest since April 2007. The accelerated decrease is being attributed to the additional entry of housing units into the Saudi real estate market, in line with the government's plans to increase housing supply and allow the dream of home ownership to become a reality.

Commenting on the exhibition, Hussain Al-Harthy, Managing Director, National Exhibitions Company said that the three-day Jeddah Urban Development and Real Estate Investment Event - Cityscape Jeddah 2013 exhibition will be one of the largest and most interesting events, that will serve as the best arena for the Saudi Arabian real estate industry to showcase projects and services and to highlight investment and development opportunities to the people of Jeddah and the International community. "We expect the three-day high powered exhibition and all new conference summits to be the premier event in gathering real estate investment, banking and finance professionals to discuss potential areas of development in order to fully capitalize on rapidly expanding housing demands in the Kingdom, in need of SR 500 billion in financing by 2020."

There is no doubt that the Jeddah Urban Development and Real Estate Investment Event - Cityscape Jeddah is one of the leading real estate events in the Kingdom, supporting the Government's vision for growth of financing options in the real estate sector, highlighting iconic architecture and innovative development, and providing direct access to the region's biggest real estate market - Saudi Arabia. Event details are available at www.cityscapejeddah.com.

http://www.zawya.com/story/HRH_Prince_Mishaal_inaugurates_Cityscape_Jeddah_today-ZAWYA20130302085529/