

SALVATORE LEGGIERO

MR REAL ESTATE IN DUBAI

Why Invest in Real Estate in the City of the Future



SALVATORE LEGGIERO

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investing in real estate in the city of tomorrow



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*“I invest in real estate because
there are always good deals to be made,
if one knows where,
what and when
to buy.”*

SL

“The word impossible is not
in the leaders’ dictionaries.

No matter how big the
challenges, strong faith,
determination and resolve
will overcome them.”

Mohammed bin Rashid Al Maktoum



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FOREWORD

What they say about me – investors and clients in Dubai

June 2021, purchase of a TWO-bedroom

“When we met Salvatore for the first time, of course, there was a slight mistrust on our part: it is normal when making real estate investments. Together with my father, we asked Salvatore precise and targeted questions before concluding our real estate operation. Salvatore proved to be extremely helpful, transparent and precise on all fronts, making our operation a pleasant experience.”

Ilaria e Marco Zanobbi

May 2021, purchase of a ONE-bedroom

“I’ve been looking for a chance to start investing in Dubai, but I was scared and I didn’t know how to move. Luckily I met Salvatore, who convinced me to embark on this adventure. He’s very trustworthy and he helped me despite my initial hesitation. By the way, the property I bought has already been revalued by 20%, thank you very much!!”

Loris Costantini

April 2021, purchase of a TWO-bedroom

“Although I’ve been investing in different areas for several years, I’m always looking for the right investment. Salvatore Leggiero gave me just that. Thanks to his insight, I was able to diversify my portfolio in a winning and innovative way and make my wife happy!”

Salvatore Calogero

March 2021, purchase of 3 ONE-bedroom apartments

“Two of my friends and I decided to invest in crypto, but one day we’re earning and the next we may not. Working in a club deal with Salvatore was our parachute: now that we’re investing together in the real estate market, we can finally sleep soundly. Grande Salvatore!”

Ciro Ferraro – Giovanni Esposito – Sebastiano Aiello





INTRODUCTION

Ciao!

My name is Salvatore Leggiero. I have been an entrepreneur my whole life, and over the years I have dedicated myself to many different activities. I have gone from the radio world to the television one, from luxury cars to art, until I finally reached my one true love: real estate. I have always believed that nothing is nobler than a place that can accommodate human beings, and I claim this expression as a way of life and as motivation in my working field.

The years that I spent in many Italian cities, where I lived, taught me to appreciate everything that a building can be and offer, and I fell more and more in love with this job. Even more, I fell in love with an idea: the idea of being able to create something beautiful that could actually improve people's lives. I am not just talking about those who choose to live in that building, but also to everyone that can benefit from it: neighbours, surrounding activities, and most of all our planet.

I fell in love with the idea that an ideal city could actually exist, a city that could believe not only in an aspiration to beauty but also in that same desire for order and security that I have always appreciated. And I continue to believe that these are fundamental elements to create a society that is both civilized and kind and to keep improving our world.

Sure, without a doubt these are the words of a man in love, and I am not ashamed to admit it. Maybe you are going to make fun of me for it, as others already did: just think about it, I have so much passion for my field that I earned the title of Mr Real Estate, which says a lot! Even so, I chose to wear this title with pride, for the very reason that I am proud of what it means to me.

Throughout my career, I worked in Italy, in London, and in the United States too, collecting many beautiful experiences and meeting people that taught me so much. Every story, though, has its obstacles, and lately, we all shared one that has been particularly difficult to deal with. The pandemic that has afflicted the whole world has had a significant impact on the economy, putting a stop to the markets and many other things.

For this very reason, I started looking around for a country and a city that could give me back the enthusiasm that these difficulties were slowly extinguishing.

So it was that I found Dubai, which reignited my passion for real estate. However, I chose to give a new shape to my job. I chose to act as a local partner, as an investor who wants to bring other people with him on many new adventures.

This book speaks precisely to them: to you, who are reading it.

I am addressing those who, just like me, love real estate to the point of wanting it to be an important part of their investments. If you are someone who has already taken the first steps in the financial field, if you think that an important investment is the right path for you, if you are not afraid to throw yourself into a great enterprise, then you, my reader, are just the very person for me.

“But to do what?” you must be wondering.

To invest with me, of course, or to buy one of my properties or to create an actual passive income. I believe that working together, sharing the burdens and honours of a project, is the most beautiful part of any job, and I want that for my experience in Dubai, too.

For this very reason, in this book, I will tell you all I have understood until now of this magical city by living and working in it day by day. I am sure that many of the things I will tell you are going to surprise you, just as it was for me, and many others are going to charm you as only Dubai can do. I will guide you through the streets of this country, and you will discover all the buildings and the thousand wonders that are hidden in the meanders of this city, which is foreshadowing what the future of the world will be like.

Do not worry, I am going to be very practical, too: I will show you in detail all the reasons why Dubai is an excellent choice in the investment world and in particular in that of real estate, and I will guide you step by step through my biggest project - as for now - in this city, that is to say, a tower which is under construction in Dubai Marina, Stella Maris.

I hope that my story can make you fall in love with real estate and Dubai as much as I am and that perhaps it can make you want to work with me. However, if you want to find that out, you will have to follow me to discover the exotic land where the ideal city was born.

Instead, if you are not interested in my story but still want to know all the secrets of Dubai real estate and my work in this field, you can directly proceed to chapter 4.

If you want to deepen the themes in “*Mr Real Estate in Dubai - investing in real estate in the city of tomorrow*”, do not hesitate to arrange a free call directly with me.



Let's stay in touch:



@salvatore_leggiero



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CHAPTER 1

My first steps

My story begins in Naples, one of the largest and most enchanting art cities of the Mediterranean. I like to define myself as 100% Neapolitan, even if I spent most of my life in different cities, always travelling all over the world and, despite my origin, I have never acquired the habits of my beloved fellow citizens. But what is more important than mindset? In that regard, I owe to Naples many things, such as my pragmatism, art of improvising, focus on problem-solving and a desire to laugh and joke about everything, even hardships.

I grew up in an environment that strived to reach the modernity of the metropolitan life, with a melting pot of people from different backgrounds, but that lacked the thrust to actually get to fly. This same oxymoron lived within me: I loved my hometown so much, but I also felt the need to embrace that part of me that cried out for growth and contamination.

Perhaps, in a sense, as a boy I was already an entrepreneur, at least because of my desire to create something different, something more. Sure, maybe in Italy the word “entrepreneur” still causes certain rancour in some people, but I prefer to highlight the examples of those who put themselves at stake in order to progress and better the world around them. Establishing

oneself is for man what creating is for God, “bonum facere” (to do well) is something that brings us closer to him.

In my case and day, without smartphones, without any English, with “austerity” and unemployment at the highest level, I simply felt the need to build a future for myself.

My family could not contribute in allowing me to cultivate my desires. My parents loved me very much, but they were extremely traditional, and no matter how much they tried to not make me lack anything, they did not have the means to offer me what I truly wanted: to fulfil my endless curiosity. A curiosity about the world, about what it had to offer to me and what I had to offer to others.

A part of me thought that I would follow my father’s path: he taught me a lot of what I still value today (even if he is not with us anymore) and that guides me in my personal and work life, especially as far as ethics and a well-done work are concerned. In a sense, my father reminds me of the poor father character in Kiyosaki’s famous book: he wanted me to give my best in school, to get good grades and find a stable job as he did when he was younger.

However, since the very beginning, my career took a path that was very different from his: he was the headmaster of a school, a title which even today represents the epitome of rules and tradition, whereas I wanted to sail in oceans that were still totally unexplored at the time.

Even the fact that he tried to discourage me from undertaking and having too big of a dream, which was the main reason for me leaving home, is to be read as a demonstration of love. He wanted to protect me from the pain and risks that the choice of initiating something inevitably brings. And about that, he was absolutely right.

My creativity and my entrepreneurial spirit, which I already felt strong within me, contributed to making my childhood, and most of all my adolescence, particularly troubled. I did not want to let down my parents, whom I loved so very much, but at the same time I just could not give up my dreams.

I did not want to weigh on the family budget and, given that I did not receive any “allowance”, I still wanted to be able to live my teenage years freely. Most of all, I wanted to follow my dreams. Therefore, for all these reasons, I left home and started working when I was still very young, still a boy. Naturally, I was scared from the first of a long series of adventures, and I was sad to leave my parents and my brother. However, I deeply believed that I had to try to succeed on my own, and I was willing to make any effort or sacrifice for it.

With great enthusiasm, I started what was, at that time, a very funny test for me: selling encyclopaedias door to door. I did not know for sure what “selling” really meant, but after some time spent bypassing obstructing doormen, ringing many doorbells and accepting so many rejections and mistreatment, I definitely learned it, gaining also a few small successes.

During the Eighties, I joined a group of guys that were older than me. They had started a private radio station: Radio Kiss Kiss. Today this name has become famous in Italy, but in those years it was almost like a game to us. We worked there for free, and we did not receive even a small cost reimbursement. It was not a job, but a passion: it was the chance to be a part of a group of people that worked very hard, putting in the effort to realize something important.

The creation of the radio station depended more on my friends than on me, but my contribution to it already showed what would have been my role in the years to come: I gave the radio an economic sense, I organised it from an entrepreneurial point of view and I found us some commercials to insert within programming slots so that we could finance our project. From there onwards, we started giving ourselves a salary based on shifts and activities. I still believe that my role there was important, because an enterprise cannot exist without an economic sense. Sure, it is good to follow one's passions, but what differentiates a hobby from a real job is the fact that one cannot just organise it as one likes: it must also find an audience in those around you, that is to say, some clients.

The more I grew, and the station with me, the more I realized that I could not stay in Naples. I loved the city and everything it had taught me, but that environment was starting to feel too small and, truth be told, it did not inspire me: I wanted to meet experienced people, explore new places and find out who I was. I left for Milan, knowing that that big city could open many unexpected doors.

And that was exactly how it went.

Milan has been without a doubt my greatest school, both for life and work. I immediately got in touch with many fantastic environments and companies, for example Rizzoli in the publishing field, and later on Publitalia '80 concerning the television world. In both cases, I got the chance to work with some of the most innovative companies of the period, together with teams and entrepreneurs that were really changing the face of communication and media. I was starting to understand how much new technologies could change our way of doing business, but also the world itself and our way of living: it was so fascinating.

From there, my employers chose to send me to the centre of Italy, both to oversee an area which in that period did not provide any competition and to set me halfway between Rome and Milan, since in those years moving up and down through Italy was not as easy as it is today. Sadly, moving right and left is still not that easy...

In those years there were no high-speed trains, and travels could last an indefinite amount of hours due to continual and often incredible delays. While I worked in the centre of Italy, I managed to become a true expert of beautiful cities such as Florence, Ancona and Perugia, with their special features and the particular characters of their inhabitants. I took advantage of this period to observe how people lived in completely different ways based solely on their culture, city and chosen house. My perspective started to change.

Looking back, it was probably at this precise moment that I started feeling interested in real estate. Florence is, after all, the "cradle of the Renaissance", an open-air museum where buildings,

squares and some of the streets are real works of art. I started to get interested in this subject. Unfortunately, in that period I had no experience, nor the money to dedicate myself to a market that required too large of an investment, even more for the kind of enterprise I had in mind, where I would purchase whole buildings that were no longer used in order to renovate them. I also had no credibility to ask banks to invest in my projects.

Most of all I had no mentor, no professional father who could show me the first steps to take and the direction to follow.

I put my dream in a drawer, but I did not forget it.

The years spent with Florence as a base were fundamental for my future as an entrepreneur because they gave me the chance to get in touch with many company leaders, managing directors and business founders in the centre of Italy. In that period, Tuscany, the Marches and Umbria constituted a very important industrial district, which meant the presence of influential names, such as Scavolini and Tod's, Perugia and Nazareno Gabrielli, GIG giocattoli and Saporì di Siena, and many others, too! I was in charge of their television commercials, a field as important as it was delicate, and soon enough I was treated like family. I learned so much. For one thing, I understood what to do and how to behave regarding work, investment and money, and most of all I understood what not to do. Sometimes, I saw before my eyes choices that were not aligned with me and with the values that my father had taught me. This also happened when I attended my weekly meetings in Milan.

I will not lie: at the beginning I felt very frustrated at the idea of not being able to follow that model, not being able to be someone capable of taking advantage of the many shortcuts I saw around me. It seemed to me that I was missing out on a lot of important opportunities, and I was under the impression that everyone could move forward much quicker than me. I wished I could have compromised, too.

However, in retrospect, I must say that I was lucky. First of all, I found out that doing things that are contrary to one's nature

does not lead to happiness. Just like our tongue or our palate do when we taste a new dish, there is a voice in our head that keeps telling us when that thing we are trying to do is not right for us: it would be just like betraying ourselves. It is right to listen to that voice, and keep consistent with our vocation, not only to be free and follow our true identity but also to be safe and aware. With time, I also found out that very few of the shortcuts that are available to us actually bring us to our goal more easily: much more often, we are bound to fall into an abyss.

Among the many oddities of those years, there was a paradoxical political and governmental situation, as it still is today. A few years later, Silvio Berlusconi entered politics. I chose to leave the Fininvest group, since I had never wanted to have any involvement with any political party. I decided to make the big leap: start my own business. I purchased a small private school in Perugia, aiming to transform it into something very different: I wanted to create a place in which some tutors could help university students to pass their exams. Therefore, the *Universi Tua* group, or *Grandi Scuole*, was born. It was made up of 70 schools all over Italy. Shortly after, I sold the entire business to Cepu, my biggest competitor: it was the first million I earned.

But I could not stop there: after considering different hypotheses, I created ANSWERS, a CRM (Customer Relationship Management) business that offered outsourcing services. Our main target was the inbound call centres dedicated to customer service for really important companies, such as Tim or Enel, or even banks. Here too, after eight years and 732 employees, all of whom were beautiful people with a great passion for their jobs and most of whom I know first-hand, I sold the company. I had earned enough from the profits of those years and the sale got me my second million!

And yet again, I jumped into a joint venture with the German certification company TÜV Thüringen, and I opened a branch in Italy that allowed Italian companies to become “zero defects”, too. From this experience I managed to learn something that

proved to be useful in all my subsequent investments: knowledge of different organizational models and high precision levels as far as productivity was concerned.

I will never forget my experience with the Germans from Erfurt, whose thoughts and habits were totally different from mine and sometimes caused embarrassing or funny episodes. For instance, I remember about one time in which I had a deadline to deposit a balance sheet: we decided to end it by the end of February. I knew, however, that by law I had until the end of March, so I ended up submitting everything a few days into March. Their reaction was absolutely striking: the Germans were completely scandalized by my behaviour. And this is not the only episode of this kind, as I intend to tell more in detail in the autobiography that I am writing right now and that I hope will be published very soon.

Anyway, it does not even need to be specified: two years (and over a thousand clients) later, I said my goodbyes to this company too, by selling my shares to my own partner. On the other side, it is the sale of a company is in my opinion that actually bears witness to its success. It is in a sense a certification of the enterprise value that we were able to create, and with that, it makes real something that until that moment was only theoretical.

From that moment on, I tried myself in all kinds of fields, motivated by my insatiable curiosity. I tried investing in luxury cars, providing chartering and renting services, I created some kind of ante litteram Airbnb, called That's Italy, which allowed clients to rent apartments for small periods, and much more. I was also deeply fascinated by the art and culture world, and for many years I was president of the Orchestra da Camera Fiorentina, which was founded and directed by Maestro Lanzetta and has been successful all over the world.

My passion and commitment in many different fields, particularly during my years in ANSWERS, have proven to be fundamental and offered me the opportunity of meeting fantastic human beings. The great variety of people I met in those years,

who were all different and provided something particular and new, made me learn a lot. And I can say the same about my choice to always work with new technologies, in a world where evolution and innovations are constants. As a consequence, this made me broaden my vision even more, and I started to realize that the world was even bigger than I had ever imagined throughout my first inexperienced years.

Of course, it was not always sunshine and rainbows. As was the case in my private life, where my passion has led me to many successes and failures (mostly with women), the work field too provided its challenges. If I must name a total shipwreck, I cannot forget one of my experiments, a start-up named SooPasta. I had tried to create a few street-food corners where completely gluten-free fresh pasta and sauces could be prepared at the moment: my idea was good and maybe still is, but my attempt to make it into practice was a total fiasco. Many advisors and self-described experts made me lose time and money, but mainly it was my fault for not being able of choosing the right team for this project.

However, even failures did not turn off my desire for novelties and experimentation. Now I had the necessary capital and experience, and I could finally follow my greatest passion: real estate.





CHAPTER 2

Mr. Real Estate

Now, at this point you, my reader, must surely be asking yourself: “What does Mr Real Estate mean?”

It is a name that was given me over time and originally it was just to mock me. It depends on the fact that I am really obsessed with real estate. I always talk about it, and I cannot do anything else. Just like my children, who would go on playing forever, I too often am so involved in a project or solving a problem (as it is most of the time) that I forget to eat.

With time, however, I decided to claim this name as my own, and I am proud of it.

Since the beginning of time, men have been spending most of their time and their life sheltered in enclosed spaces: at first, they were just caves, then simple huts. Then, buildings have become more and more solid and complex, until our modern-day skyscrapers. When I work with an apartment, a building, or a hotel, I like to think about how people will live there, what they will think, what they will like. Even the most trivial things, which normally we do not care about, are essential items, such as the correct position in which to place power sockets so that they are the most comfortable and useful possible, or how to shape the kitchen.

That is the reason why I am happy to claim the title of Mr Real Estate: I deeply believe that there is nothing nobler than a place that can accommodate human beings.

Strong of my conviction and of the passion I felt for this field, I tried myself on the market, with the same enthusiasm and lack of preparation of a student that signs up for university: sure, you read the whole syllabus, but you are definitely not prepared for the number of study materials. Nothing came easy, at least at the beginning, but I chose not to give up.

In this field too, I did not cease to think as a start-upper: my idea was buying already existing buildings, maybe abandoned, disused, or empty ones, and renovating them according to design criteria that would allow me to resell them with a good appreciation. I also wanted to increase my sales opportunities, so I divided a small apartment into two even smaller ones, then a big apartment into three, a whole floor into six houses, and so on.

My plan seemed to be simple and I decided to start from the three cities I knew best: Florence, Milan and Rome. It was definitely a win-win situation because they were cities with an important historical and artistic past, which were known and appreciated all over the world. In my opinion, this element was crucial.

First of all, as I mentioned before, these cities were open-air museums, that is to say, that the buildings I purchased (which belonged to banks, institutions, and less often privates) were real jewels and could allow me to create a quality real estate product. Furthermore, looking at how marvellous the buildings were made me dream about more equally beautiful, equally special buildings. I started imagining the best team to create them: they had to be on the same level as those of ancient times, where famous artists of undisputed talent were involved.

Just try and think what could be built today if we required the help of an artist: surely nothing similar to those typical reinforced concrete barracks from the Sixties which we have been sadly forced to!

Moreover, I was deeply fascinated by the idea of supporting my territory, those same Italian beauties I had learned to love. I actually believe that, by building or renovating a palace, this activity could benefit not only the entrepreneur: we have a threefold profit. Of course, real estate aims to create an actual profit for those who are directly involved at a professional level (a process which Italy sadly calls “speculation”), but many others can benefit from it.

The first beneficiary is the neighbourhood, whether it be shops or houses. A quality building, if not a luxury one, brings with it new people, families and friends, who will visit the shops of the street, the schools of the district, the small municipal park, and so on. The whole ecosystem of the neighbourhood is inevitably changed by this novelty, which therefore is not only an architectural work but also a social and cultural one.

The second (and often ignored) beneficiary is the environment. Well, yes: we can also build sustainably. It is possible to create buildings or renovate them using really recyclable materials that can be disposed of by future generations in a much smaller period and without health damages. My choice has always been that of totally avoiding materials that irreparably damage health and ruin the environment: when in doubt, I choose to use hydronic systems.

Choosing projects that can respect also these two “invisible beneficiaries”, neighbourhood and planet, can represent a guarantee of success even from an entrepreneurial point of view and allows us to find an ethical nobility in our work. Dealing with environmental issues should in no way be considered as an exception, but as a rule: it should be considered normal to build better in order to live in a better world, putting the interest of our community first.

Furthermore, it is a choice that, from a strictly commercial point of view, can create an inherent value for the property which actually does not cost to the future buyer anything more than he would have paid otherwise. It could be considered as a sacrifice

for a developing entrepreneur such as myself, as far as costs and time are concerned, but be careful: it is a sacrifice that is bound to be repaid. Even more, the investor that chooses to part take in this kind of project as an equity partner or a lender will know that he will be part of a “greener” enterprise. I really believe that nowadays this is the only acceptable attitude for every real estate entrepreneur, and not only for my associates.

Anyway, since I was sure of the goodness of my project regarding my care for the territory, I decided to focus in particular on Rome. My choice depended mainly on the fact that Rome, despite being a wonderful place, has been repeatedly mistreated by various administrations that succeeded each other over the years, and it seems to me that it deserved redemption.

The second reason depended strictly on my investment strategy. In that period, I used to focus mainly on renovating historic palaces aiming to turn them into hotels, possibly luxury ones, which later on I gave to large international franchises in that field. Rome, in that sense, offered much fewer services than Milan, where many brands could already be found. Since those same brands were interested in the capital city of Italy, I would have better chances of success there.

At first, it was not easy. I had not yet been able to acquire great credibility with the banks, so I had to finance many projects out of my own pocket and with little leverage. Moreover, I often found myself trusting organisations and people who I did not know well enough. I made many mistakes. In short, my debut in real estate did not immediately bring celebration and fireworks.

However, once again I did not give up. In Italy, mistakes and failures are considered total and eternal defeats. I never really identified with this mindset. I much prefer the Anglo-Saxon concept that includes learning “by trial and error”. From this point of view, mistakes are not a problem, but rather a natural step, and therefore they are something positive. Making mistakes means that you actually tried and, if you fail, that just shows that you tried even harder, maybe too much.

As I failed and learned, my mistakes started to decrease. It did not take long for me to go from hotels to private houses: still, I kept renovating old buildings with a great historical value. While I became more and more capable, I found out some of the flaws of the real estate market as it had been established in Italy. It definitely was a field that needed innovation, mainly to benefit buyers.

I realized that it was a world in which everything had always remained quite similar to itself. Today, building a house follows almost the same identical process of a hundred, two hundred or even five hundred years ago. Sure, the practical means used in the project are different, but the steps we have to follow are pretty much the same: one buys the land, realises a project that oftentimes is some kind of drawn plan, builds, follows a bureaucratic process (even if this changed, it was only to become more complicated), and finally sells or rents.

Well, I have always found this to be a paradox, and I like to show it through a culinary example. I love my grandma's desserts. I am serious, I love them: I am very fond of them and they remind me of all the happy moments of my childhood. I am sure that most of us share a similar feeling. That does not mean, though, that my grandma's desserts are just one part of a really vast culinary experience. The love we feel for tradition should not prevent us from offering many young chefs the chance to experiment with new recipes, with innovative ingredients, which can make us discover brand new flavours.

I think that Italian real estate should try to find this same ideal of curiosity and innovation, mostly through the implementation of new practices and the great opportunities coming from new technologies. But there is more.

For example, another characteristic that seemed to be lacking in the Italian real estate was the use of marketing. Sure, with time, different digital marketplaces were born, which have been able to mimic real estate agencies (even though not to reproduce them completely, as we shall see soon). They have been trying to "disintermediate" without success.

Internet access, which perhaps was something new more than a few decades ago, is now a consolidated reality: still, it remains so very rare to find properties designed for the IoT (Internet of Things).

Discoveries, media and devices, though, have not ceased to be able to elaborate more and more information.

To date, one of the newest and most interesting worlds is that of cryptocurrencies and blockchain. I find one currency particularly intriguing: Ethereum. Its main characteristic is that it depends on a system of smart contracting, that is to say, on informatic protocols that facilitate and enforce the performance of a contract.

The real estate sales sector, as well as that of leasing and hotel management, could greatly profit from smart contracts.

However, I am definitely no computer scientist, so I have to try and explain it through a more familiar example. Let us say that I sold a house with a one-year warranty. The contract clearly states that, if anything inside the house should break or malfunction within that span of time, I am required to fix or replace the defective product within 36 hours. If I stipulated a smart contract, this plays a role when and if I exceed the time limit I am allowed for the correction: then, a refund is automatically scaled by my bank account to be loaded onto the customer's, and I cannot do anything to stop that.

Right now, this kind of "smart" contract does not exist within the real estate field, maybe because it is a very traditional environment, managed by just a few, where innovation is not really well accepted. However, the dream I intend to realize includes introducing this contract and using it regularly during my work, so that all involved parts can be better safeguarded.

Another flaw I managed to notice within this work field concerns the so-called "caste". I immediately realized that every investment of a certain quality often remained firmly locked between the clutches of a small group of high-level investors, whereas small and medium-sized investors could only access more

“normal” operations. Now, maybe this could be acceptable in the past, where the idea of distinct social classes that could never aspire to the same results was normal, but surely not today, where this establishment has been largely dismantled. In that sense, what I would really like to see in the real estate market would be its democratization, which would also allow the common professional investor to take part in projects that until now have been a prerogative only of the few I previously referred to.

Another subject I soon had to face was that of my identity. All right, I was finally part of that real estate world I had dreamed of for years, but in what role? Who was I in this business?

While I gained experience, I understood that the possible paths that stretched out in front of me were basically three.

The first possible role was that of a real estate investor. This figure’s tasks concern the choice of investment and the actual provision of financial resources, meaning that it would be mainly a matter of assessing various projects that were presented to me in order to choose which one I liked best. There were also commercial banks among the big investors once, whereas right now that is completely impossible in Italy. At the moment, big investors are almost all privates, institutional investment funds mainly situated in the United Kingdom, in London to be precise.

The second possible role was that of a real estate agent (or realtor, or advisor, depending on personal preferences). In this case, a premise, or a disclaimer as it is fashionable to say now, is much needed: I greatly respect this professional figure, and I believe that it is indeed a fundamental role, if it is professionally interpreted in the right way.

Let me clarify. At the moment, as I mentioned, numerous digital marketplaces have been born, even in the real estate world, and they intend to make agencies obsolete and useless. However, we tend to forget that a real estate property is certainly not comparable to a washing machine: it is not a standard production, always identical to itself. Two apartments in the same building may look identical on a website, but they most certainly are not to an expert eye.

The potentially determining variables for a successful sale and most of all for the client's satisfaction are truly innumerable, and they are not always taken into account by a simple algorithm. A top floor apartment could be a luxury product in the city centre, but it ceases being that if it is near to the beach because it would lose the winning element of the sea view, if not leaning out from the balconies. On the contrary, a house that was, for example, on the first floor of a historical palace in Florence could be right in front of the tramway passage.

And even when the location was well specified on the website, there are elements that are difficult to predict in an automated way: how hydraulic systems are structured, whether fixtures have had regular maintenance, whether there are holes in the walls, and so on. The knowledge of all these variables is the main task of a real estate agent.

Unfortunately, I noticed that most of the time it is not like that, and not only in Italy. Many times the client is faced with an unprepared agent, who does not know the property and who presents himself with a plan in his hands and little more: that is precisely why he is not able to constitute an added value as compared with a digital marketplace. There are fears over the possibility of an end of real estate agencies, but technological progress should cause an update of the intermediary figure, instead: this role has great potential if done right, with competence and passion.

Even the human factor alone can be a real added value when choosing to purchase a new house, not to mention the delicate task of negotiating with both parties, making demand and supply meet. This is even truer in a globalized world, where negotiations often happen between people from completely different cultures and habits. Here I am thinking of the role in price negotiation, for example. In Italy, it is completely normal and acceptable trying to get a lower price, even after a long discussion. It is not so in the Anglo-Saxon world, where this dynamic is considered even offensive, as if the client wanted to suggest that the product is too low in value to really be worth that price. In these cases,

the real estate agent could act as an actual interpreter between different cultures.

Lastly, the third possible role I could choose was that of a developer. This role would have allowed me to follow a real estate project from a to z. The developer has to create the whole operation by choosing the place, obtaining the necessary licenses and choosing the constructor that will carry out the work. Then, he has to search for the necessary funding in order to purchase the land, plan the building and realize it. His preliminary draft will then be presented to several potential investors. Finally, the developer has to take care of the rent and the sale of the finished property.

To sum it up, this entrepreneurial figure was utterly similar to that of a conductor, a role that I had been able to observe for years through my commitment to the music world, and I was deeply fascinated by it. Being a developer would have allowed me to experiment with all that the real estate world could offer me. I could have satisfied my never-ending curiosity and my desire to try and bring something new to this field.

Once I decided on my identity, the rest is history. I started to expand my business more and more. I still remained in Italy, but I was no longer limiting myself to those three cities I knew so well. LEGGIERO Real Estate would also take into consideration the so-called “secondary cities”: this name is kind of ugly but it gives an idea of what we are talking about. We also decided to work in those many villages that had historical value, with the ultimate goal of enhancing the territory I loved so much. My country did not let me down: Italy was so full of many little jewels, and my business was growing more and more.

Everything was fine.

It was the beginning of 2020.





CHAPTER 3

Annus horribilis

It is very difficult for me to talk about 2020, as I believe it is for most of us. It certainly was not easy for anyone to come to terms with a totally unexpected global pandemic, which took us by surprise and forced us into our homes. It is not easy to talk about Covid-19, mainly because of the many deaths it has brought and the pain it has caused.

However, this is not the only reason why 2020 was a real “annus horribilis”, as the Latins said, for me. Let me take you a step back.

I had started making professional contacts in London for some years then, that is to say, with the United Kingdom. I loved that city very much, and the typical Anglo-Saxon mindset even more. Furthermore, in that country, there was an extraordinary concentration of the biggest investors in the real estate market, as it is even now, and that means that it was particularly interesting for me. Financial instruments and corporate structures are highly developed, too, and there is a clear regulatory framework: one always know what can and cannot be done.

While I was in Italy, until 2016, I had more and more often found myself feeling suffocated by the environment around me; I

was exasperated by the fact that I could not use more sophisticated tools for my real estate acquisitions, and the Italian banks that had survived the crisis of the previous years had no intention of assisting value-add transactions, and especially those of medium-to-large size.

I had a great desire to leave Italy; I loved it very much but it did not allow me to do what I really wanted. I needed a much more fertile environment, a place where the context was more welcoming and positive for an entrepreneur such as myself and where (why not?) I could live more easily.

It is not so surprising that, as soon as I had the opportunity, I took advantage of it and moved.

As a matter of fact, I had not immediately settled on London as my final choice. I started by evaluating various important destinations within the real estate world, such as Berlin, Madrid and Amsterdam, which I like a lot. They actually were great destinations as far as the availability of capital and the presence of investors were concerned. However, there was a problem: my main activity was still the purchase of properties in Italy with the purpose to transform them into luxury hotels. In the main European capitals (which were also the most important touristic destinations), there were already a lot of international brands, as well as 5-stars hotels. In short, in those developed cities, the market was already saturated and I would not have had the chance to innovate or earn very much.

I thought about focusing on destinations that were less exploited in the real estate world, such as Lisbon or Istanbul for example. Beyond the cultural (and also political) difficulties that led me to avoid the beautiful city of Istanbul, they were cities that lacked that financial thrive that was so important in my beloved London.

Within my mind, the decision was already taken.

My family surely played a very important role in my decision of moving to London. I wanted to raise my three children in a place that was full of open-minded people and especially in a multicultural context. Sure, there are many other cities in the

world that provides these characteristics, but just a few were so deeply changed by them as it was for London.

Even more, my decision to move there seemed to me particularly sensible also because of the path that my career and my entrepreneurial activity were taking. I actually had decided, just shortly before, to delegate the management of my Italian business, LEGGIERO Real Estate S.p.A., to an independent team led by the very talented (even more talented than me!) Leo Salvietti, who even now, in these difficult times, is leading it. Leaving and giving him full freedom of movement seemed to me just a natural consequence of this path.

Finally, London was the city that was best suited to the kind of business I had in mind for my future. There were many doors to knock on to find or create new businesses, and every one of them opened very important spaces, even from an international point of view. In particular, the district of Mayfair, right in central London, was the cornerstone of the UK financial market and just for that it was my main goal. I chose to place there my little home and my office.

I was used to Italian habits, and I was truly impressed by the English mindset. I was fascinated by the fact that I could ask to meet any general manager or CEO and always find an answer, which nine times out of ten was a positive one. Those managers received me and this will always be one of the things I loved more about London, regardless of the actual outcome of the transaction: the respect and kindness and care in verifying what each person has to offer, without shielding themselves behind roles or secretaries. As I already mentioned in previous chapters, I immediately found myself at ease regarding culture, and particularly the perception of mistakes, of failure. The years I spent there, and the people I was lucky enough to meet, contributed to create my character and the world perspective I had today, even if I most definitely was not born with it.

While in London, I chose to somewhat change my professional role in the real estate market, for a number of reasons. First of all,

even if I do not like to admit it, I started to feel the years go by: being a developer requires great energy, and I started to lack that more and more.

Secondly, investing in properties and hotels in London was not worth it – at least in my case –. Sure, it is a very stable market, where it is difficult for an investment to go wrong since there are so many valuable properties and demand is virtually endless. However, it is a mature market, too, as I was saying before regarding other important European cities. With the exception of a few transactions that can still happen, investing in properties in London is a great idea and it guarantees to earn, sure, but very slowly: by definition, you purchase when the market is at its peak and the future appreciation, like the ROE on rents, for example, will necessarily remain lower than elsewhere.

That is why, given my business in Italy, I decided to offer the same as a local partner for big investment funds or family offices that wanted to finance transactions on the Italian real estate market. Then again, the English financial market is completely open to the idea of investing in a foreign transaction, which in Italy is completely impossible. Try and imagine what would happen if you were to suggest financing a project on the island of Cyprus to an Italian bank: they will think you are a fool and incompetent!

Basically, my purpose was to present value-added and opportunistic investment projects to those investors who might want to share the investments with LEGGIERO Real Estate. In other words, I transformed my offer: together with my associates, I was not only an expert but I could also be considered as a facilitator, accelerator. This is a role that I still partly hold today and that will be a great help to you if you had to choose to make business with me.

London proved to be a wonderful experience, most of all because of the many wonderful people I met, who were all so interesting and had something important to say and to give, especially to those who came from afar (even culturally) such as myself.

“Then why did you talk about an ‘annus horribilis’?” you must be asking yourself.

Well, that is because we are only at the beginning of 2020.

Still, March 23th arrived, and London went into a rigid lockdown due to Covid. Suddenly, we were all stuck. The economy had been abruptly stopped, and with it, all funding was frozen. A climate of uncertainty and distrust spread quickly and then settled, and it only worsened during the following months.

I could not work. In my niche, all hotels and construction sites were closed, everything was stuck.

When summer arrived, it seemed that a breath of fresh air was blowing, especially in Italy. At the end of August, I decided to come back to my homeland, since I wanted to visit my family. I needed some human contact, which I had missed so much in all the previous months.

I was sleeping in my house in Florence, it was 5 in the morning. I woke up to the sound of someone knocking on my door. Three “Guardia di Finanza” policemen entered and declared me under arrest, or under house arrest, to be precise. They read me my rights, they made me appoint a lawyer: to sum it up, all the normal procedures that we are used to see in tv series.

I thought it had to be some kind of sick joke, but it was all real. I could not call home, or contact anyone: they took away my every means of communication, both my phone and my computer, or any connection to the internet or to the world. I was alone.

After a few days, I chose to be heard by the magistrate. My lawyer appealed to the Court of Review, where he disputed the groundlessness of the accusations. I believe it was the right decision because on the fifteenth day I was freed, and most of all my charges were reduced. Of course, I was very angry at not being directly exonerated of all charges, but I am also very grateful because I was the only one of the 14 people arrested that was released.

But what had I been accused of?

Well then, shortly before that, I had bought a property in Rome, very close to the Trevi Fountain, by an entrepreneur whom I did not know before, Vito Fusillo, an Apulian constructor. Fusillo himself suggested to me to require financing from the Banca Popolare di Bari, which at that moment was the only bank that still provided this kind of service. A couple of years later, however, the bank changed its board of directors and then it was commissioned: as a matter of fact, it had failed and was now closed.



Now, my problem was that half of the money I had given Fusillo through the Banca di Bari, which amounted to 40 million euros (plus taxes and money for construction work), were used by Fusillo to repay the bank of a small part of his debts. My purchase of that Roman palace seemed now to be nothing more than a shady manoeuvre to give an advantage first to the bank and then to Fusillo.

Luckily, the first investigations carried out have already shown that I had no previous ties with any of the people involved, neither Fusillo nor the bank, as it also emerged from the analysis of e-mails, phone calls, messages, and so on. It is not even clear why I would have bought a palace at such a high price just to do a favour to the bank. After my release, I asked more than once to specify which article of the penal code I should have to defend from. Nonetheless, the trial is still ongoing. These things can happen only in Italy, I think.

It is useless to describe how devastating have been the damages that this situation has caused (and is still having) to

me, my family, my business and my associates. Inevitably, my reputation collapsed completely, also because of the portraits many newspapers painted about my involvement, which did not always correspond to the truth. Right now, I do not know whether LEGGIERO Real Estate will be able to rise again after this hard blow or it will have to close down. No matter how the trial ends, though, my business will have to be reborn, like a phoenix from its ashes, and to think about a different future from the activities it has carried out until now. We will be excluded from certain credit facilities, which will prevent us from any larger operation.

I have to be honest, here: the difficulties I experienced after the failure of the Banca di Bari had partially taken away my desire to try and find new adventures. We can also add a second lockdown last autumn, which involved the UK too, particularly because of its “English variant”: there can be no doubt that what I needed most was a breakthrough, and an important one at that. Furthermore, I had always had this idea of following the course of history, as if this acceptance of mine could somehow lead me to what fate had in store for me, or at least make things easier for me.

My London experience had made me know the international market more and more, even the largest ones. I started to evaluate which cities could be the right ones for me: I was thinking about really interesting places, both personally and professionally.

From the very beginning, I excluded Far Eastern countries. Sure, they were very interesting from an entrepreneurial point of view and many big investors were there, but they were too far from home in terms of time zone and too far from me from a cultural point of view. I had taken Vietnam into consideration because real estate prices keep rising very quickly. Many different forecasts assume that its future development is positive too, thanks to an economy that continues to increase, an increasingly pushed urbanisation and the choice of creating very important projects in the main cities. However, I had no intention of going so far away.

So I turned my attention to the west, starting from what was more familiar to me. Through my friendships there, I already

knew Florida really well, and Miami in particular. One key feature of this city was the great spread of telework, also because of the Covid pandemic. Miami was, as a matter of fact, the main destination for a lot of new citizens. The year we had just spent in “seclusion” inside small apartments in overcrowded cities had led many people to the decision of moving to more pleasant and airy locations, where they could also enjoy the outdoor spaces. The variable of the quality of life had come into play. It is a subjective characteristic, though, so it concerned mainly certain categories of people: in this case, families, and most of all wealthy families.

I had also briefly considered the possibility of working in California. I was fascinated by the beauty of the country and also by the underlying concept of Silicon Valley, especially because of the chance of having a meeting place where people with incredible talents could meet and contaminate one another. My start-upper mindset was very attracted to such an environment. However, I decided to let the idea of moving there go, mainly because (just as it was for Miami) the time difference problem would have pushed me too far away from my loved ones. Today, though, I cannot exclude the possibility of working in that area. I am actually continuing to analyse them to find the right chance, instead. At the moment, I would like to create even in the district I live in some kind of “real estate valley”, which could make entrepreneurs and field experts meet, chat and exchange ideas. It would make the market a lot more dynamic, and each of us could benefit also from a personal and social point of view.

And again, I analysed Texas, and the cities of Houston and Austin in particular, thanks to the friends I have there. The economic dynamism that is typical of the United States creates the conditions for which certain areas can have an important economic development from apparently simple events. As for Houston, the restart of the oil exploration industry, as well as the technological, aerospace, medical and manufacturing one, has in actual fact caused a truly remarkable economic growth. New industries were created and thus new employees were called.

All these new citizens, who had to move nearer to their new workplaces, started to look for houses. In a short amount of time, Houston has become a growing city, as well as one of the most populous in the southern part of the United States.

Something similar can be said about Austin, although in this case, things are slightly different. This city has become the main destination for millennials: in this era of high technology and home automation, the real estate demand has naturally shifted to areas where services are accessible by foot and one can be in contact with nature, too. This led to small cities in Texas becoming the epicentre of new luxury real estate sales. To sum it up, it is an extremely convenient market, since they are cities that have been neglected by European investors. Moreover, there is nothing Italian there.

And I did not stop with the United States. Brazil, for example, attracted me very much because of its “Mi casa, mi vida” project, the biggest social housing programme in history. In this country, the dialogue between the government and a few social movements has led to the creation of a plan that aims to provide decent housing for 6.8 million Brazilians. And it is not just words: 1.7 million houses have already been completed and delivered to the recipients. It is a growing market, mainly because of the need to find houses for many people that still do not have one.

In all of these cases, though, I was always faced with the obligation of moving far away from home and from my children.

Finally, I noticed that the Middle East often came up during conversations about the real estate market, with particular reference to the Persian Gulf: Qatar, Bahrain, Oman, Saudi Arabia and the United Arab Emirates seemed the newest and most promising places as of recent. I began to learn about each of these nations, trying to understand what were the strengths and weaknesses of each of them.

As for Qatar, my focus was entirely on Doha, which is not only the capital but also the most populous city. I visited it and it is also a beautiful and very organized place. It surely is a city in

which the quality of life is particularly high and the economy is completely stable, thanks to some very present natural resources, that is to say, oil and gas. Moreover, since last year Qatar has also allowed foreigners to own properties in different areas of the country, which made investments in this field much easier.

From this point of view, Bahrain was very interesting, too. Actually, there have been considerable changes within the real estate market during this last year, and one of the biggest challenges has been the great imbalance that has grown between supply and demand, particularly regarding residential rentals. It must be considered, though, that excess in supply as far as offices are concerned depends also on the fact that buildings are often constructed without taking into account times and habits that may change. In the niche dedicated to small and medium-sized spaces, the demand has been constant. However, different analyses consider Bahrain as saturated and Covid-19 seems to have deeply damaged the hospitality industry.

I was confused, I wandered between various advantages and disadvantages of completely different countries. Sure, there were a lot of good chances, but within me, I knew that I still had not found the right place for me and my business. No city had talked to my heart, yet, as it had been for Milan, and for London, too. I wanted to follow the course of history, as I had always done, but it was very difficult.

I finally decided to find out about the United Arab Emirates. I was immediately fascinated by them.

The Emirates are composed of seven states, which were created by a group of Sheikhs who own respective portions of the Arabian Peninsula along the southern coast of the Persian Gulf. What interested and surprised me was precisely this: the idea of these owners of whole pieces of desert that want to create at all costs new destinations, by making those same places attractive through great services and their fiscal policy and realizing a real estate market paradise where there was nothing at all. I was also reassured by the fact that there was a very close relationship

between the Emirates and the United Kingdom, that is to say, everything I had known and worked with until then in terms of system and rules.

Also, everyone there speaks English and, as we all know, languages are a part of lifestyle and thinking process, as they allow us to be connected to others.

That was how I got to know Abu Dhabi, and then Dubai, the “New York/Miami of the Persian Gulf”.



CHAPTER 4

Meeting the city of tomorrow

The first time I visited Dubai, I did not actually visit it at all.

I had been in town two or three times during the previous years, simply because I had to attend some business meetings and real estate conferences as a speaker. I had not been able to see anything at all. Each time, I had arrived at my hotel, I had been stuck in a dedicated conference area, just to fly back a couple of days later. Sure, I had seen something from the taxi or on the rare occasions when I had taken part in dinners outside of my hotel, but I had not actually seen Dubai.

However, my research had made me think that it was the best city for me. I had realised that, in this precise historical moment, Dubai had more potential than any other place in the world, and that it was also an excellent opportunity from a real estate point of view. Also, as for my personal tastes, it had all the main features that I believe a city must have to provide a high quality of life: zero crime, zero drugs and zero alcohol, many services and, last but not least, the kindness that is used among all people. And if I thought so, surely many other people just like me did, too.

Anyway, I was not about to move without having done an inspection first.

I started by spending a week in Dubai, and then I postponed the flight back to stay another week. I took my family with me, both to share this beautiful experience and to understand what my life in that city could actually be. I did not want to be influenced by the glossy version that the Internet gave me, as it was mediated by many wealthy characters who had moved there recently and offered a partial portrait of what the city really had to offer. I could not trust them: I was different from them and I wanted to have my own idea of Dubai.

I decided to move just as most of Europe entered into another lockdown. I will not lie: the way in which Dubai has managed the Covid pandemic so far has played a key role in my choice. I believe that the way in which one manages a problem can say a lot about how one could deal with any other one: the administration's choice of preserving the economy and respecting people's freedom has been exemplary. Luck? Merits? Still, this is a fact. It was the only place in which everything had reopened, and without any particular restrictions. Sure, you have to wear your mask. And of course, you cannot go out to dinner with more than six people. But there are not all the rules and regulations that have been created (and still exists) in many other countries: to be clear, no Christmas without your family, or forbidden funerals, or prohibitions to enter the Mosque and the Church (yes, even the Catholic one),



and no “curfew”. I must say, being seven people one can chat even better!

Since I moved to Dubai, my life has changed, and I caught myself saying more than once: “Dubai, how about that!”. I wrote an article just about this that was

published on “Forbes Italia” last July: I invite you to read it, if you had the chance.

I immediately found out many characteristics to which I, as a westerner, was not used to and that I had not found even in London, which I loved and admired so deeply. Some of them were very simple. For example, I noticed that there is never anything dirt on the ground and the city is always very clean: you will not find any garbage on the streets, whether it is chewing gum or cigarette stubs, cans, bottles... It should not even be the exception, but the rule: still, in Italy (but elsewhere too), it is not like that.

At every corner, you can see fountains and parks, and they are all very well maintained. They are not prey to gangs that ravage them, staying late at night to get drunk and take drugs, leaving behind a trail of syringes and broken bottles. Children can actually play in the parks without fear of getting hurt with needles and glass fragments. Sure, not all parks are like that, but it definitely is a scene that we all happened to see at least once in our lives.

Another thing that works in a very different way is hospitals. I had to book some visits for some health problems (luckily, they were not serious), and I was shocked by the fact that I could easily contact the hospital via WhatsApp. And the hospital actually answered me, and in a short time, too!

Be careful, though: hospitals here in Dubai are very much different from the ones you find in Italy or in many other countries. Here, you can enter buildings that look more like a big 5-stars hotel than a hospital. They have a huge elegant lounge instead of a small reception, and the level of technology is very advanced. Each hospital has all the most modern and innovative machinery and equipment and the staff can speak English, since Dubai is a very international city. They kind of remind me of the big private hospitals in the United States, even though there is a key difference: here we are talking about public hospitals. Sure, there are private hospitals, too, which can be very expensive,

but each resident (even us expats) has to take out health insurance with the Dubai Health Authority (DHA). This allows us to access the emergency room, be visited by doctors and carry out examinations completely free or with just a few additional costs. This is undoubtedly an important goal, which helped to eliminate (in part, at least) any problem or inequality there was among residents in terms of healthcare.

And again, people in Dubai are kind. This probably depends also on the way in which the population is composed. We have to consider that only the 16-17% of the residents are locals, while the rest is entirely composed of expats, that is to say, people just like me that come from a different country all over the world. This means that you can barely find any common cultural traits that can tell you how to behave with one another and how to be understood. Thus it was necessary to find a code that made communication possible and simple: the “code of kindness” was chosen.

This type of conduct can be found several times in our day-to-day life. When I am in a supermarket, clerks treat me very well and offer to take my groceries home if I lived too far. When I cross the street I am not afraid of someone honking insistently just to tell me to hurry up or running over me just to pass: I know I can walk without any worries and everyone will stop, even if maybe it was not even my turn. I am thinking about Italy, where some cities became a real stereotype as driving there is confusing and unregulated, but I am also thinking about the streets of London, where you can actually be run over if you do not wait for the green light. And again, I can think about many occasions where several passers-by stopped to help a mother who



finds it difficult to climb stairs with her stroller: just like that, spontaneously and instinctively.

Kindness has in fact become a real rule for all Dubai residents, and you can see it in everything. I could tell so many episodes regarding this particular feature of the city. There are, however, some of them that I will never forget, both because they were the first that happened after my move and because they felt really far from the reality that I was used to.

For example, just a few weeks after I moved, I was at a café with an associate of mine to discuss business. Nowadays I hold all my meetings in public places, possibly outside, because after a year and a half of being closed in my own home I started to feel a certain impatience to closed places and even my office.

Anyway, once the meeting was over, we had to enter the café to pay the bill. I noticed, though, that my associate had left all his belongings at our table, which was on the sidewalk opposite to the café: not only was his briefcase between the legs of the table, but his Mac was evidently in plain sight.

Naturally, I immediately thought that he had not noticed it and I tried to warn him. In response, my associate laughed and told me not to worry. We went in to pay and when we came out all of his belongings, including his laptop, were exactly where he left them.

I was totally shocked. Something like that could never have happened in Italy or London, or even Barcelona, Paris or Berlin, especially because no one would have had the courage to leave his things there, and important things at that, within the reach of anyone passing through the streets. I still remember how I thought that man had been very lucky, that it just worked once. I was so wrong!

A few weeks after I went to the beach with a friend of mine. We wanted to swim for a bit, so he took off the Rolex watch he was wearing on his wrist and placed it under our parasol. Now then, I still had in mind the café episode, so I had no intention of saying anything at all, as I now understood that it was normal. At

the end of the day, we gathered our things and we left. The next morning, however, my friend realized he did not have the watch anymore. He had left it there, of the little table under our parasol!

The watch had an important material and emotional value, so of course, we went back to look for it. We were hoping that it had fallen into the sand and that it was still there. While we were bent down looking at every single grain, some of the beach employees approached us and asked what we had lost. Once we managed to explain the situation, we followed them to their office, where they asked us what type and colour the watch was (just to see if it was actually ours) and then they gave it back: they had taken it and closed it in a plastic bag so that it would not get ruined by the sand.

And again, I stayed once at the FIVE Hotel, a beautiful and very big hotel on the Palm, which hosts every day thousands of customers from all over the world. I had to leave that hotel to move to another one, still in Dubai. I was late, so I packed my suitcase in a hurry. I forgot my Louis Vuitton belt in my room: it was the gift of someone I hold very dear and it was a real pleasure for me to receive it.

I realized I did not have my belt a few days later, just as I needed to wear it to an important dinner. I immediately realized that it had to be at FIVE: it could not be anywhere else. I was both sceptical and hopeful, and I decided to call them and ask about it.

A very kind receptionist answered the phone and she asked me some questions to understand what I was looking for and if I knew what I was talking about: what my name was, what the number of my room was, where I thought I had left my belt, and so on. Once it had been confirmed that it was my belt, she told me I could easily go and pick it up at the reception. I found it sealed in an envelope with all the information that was given by the person who had found it. How efficient!

This same behaviour can really be found in every single aspect of daily life in Dubai. You just have to raise your hand, and taxis stop. In fact, most of the time they make headlights to warn you

that they have seen you, then they proceed to do all the necessary manoeuvring to collect you precisely where you are so that you do not even have to cross the street. Can such behaviour be compared to that of other countries, where it is you who must go to the taxi parking lot to find one? Maybe even without finding one or anyway being badly treated? And we are not even considering those taxis at the airport, which are capable (even when free) to take advantage of some poor unfortunate tourist, charging him costs and luggage, but then they change their attitude once they realize that you are “a local”. I am not even exaggerating; it has happened to me before.

Now then, I absolutely do not want to speak ill of Italy. It gave me so much, I like it, and I think of myself as a “DOC” Italian for mentality, culture and style. However, I believe that in Italy we have become used to living in a situation of substantial discomfort, so much that we accepted as normal things that, truth be told, should not be. And in fact, should having a default negative expectation as for other people’s behaviour not be a good enough reason to try and change things? After several attempts to try and help to improve what I saw around me, I must confess I gave up. I am sure that made me move to another country as well, and I can honestly say that I have never found in any other part of the world people of the same quality as those I found here in Dubai.

This same desire to do well is also very clear with regard to education. Here in Dubai, you can find all the major international schools of the world: American, English, European and many others more. Each of them has got excellent equipment and is greatly focused on new technologies, with the final aim of building a new generation of adults who are truly prepared for the world they will live in, which we already know will be very different from the one their parents and their grandparents lived.

After all, I believe that the mindset and the intention that someone shows in approaching a particular element or field can be found by osmosis in all other areas in which he operates. One

should not be surprised, then, if a city that has a great approach to health, safety, sociality and schools shows the same preparation with regard to infrastructures and transportation, which are two very important fields for the dynamics of the city's ecosystem.

As a friend of mine, Sergio Alberti, a great real estate expert here in Dubai, often says: the Arab Emirates have approved a plan for 2071, when the first century anniversary of the nation will be celebrated. Economy, education and innovation, all in scientific terms, will be the key points for the development of a country that aims to have no equal. Sergio also refers to "Area 2071", a 30.000 square metres zone located in the living heart of Dubai's economy. Organized workshops, shared work areas and spaces dedicated to the development of new ideas and projects will find a place there.

This is without a doubt an unprecedented project, but let me quote the words of the emir Mohammed bin Rashid Al Maktoum: "The bigger the goal, the greater the result".

In that sense and in many others, in my opinion, Dubai is already a city of tomorrow.



To recap, what are in my opinion the great strengths of Dubai, which made me choose it as a city to live in?

1. The high quality of day-to-day life and the desire to do well from any point of view.
2. The code of kindness that permeates every aspect of life in this wonderful city.
3. The cleanliness and order that distinguish the city.

4. The great care and attention from the point of view of administration and services, for example as far as schools and hospitals are concerned.
5. The way in which the Covid emergency was dealt with.





CHAPTER 5

The Ministry of Happiness

In some ways, Dubai also reminds me of the “ideal city”.

Of course, I mean this term in its purest sense, that is to say, that of a utopian desire that has crossed time and continents enriching the imagination and dreams of thousands of artists. I still remember the day I saw the painting of the “Ideal City” in the National Gallery of the Marches, in Urbino. In my exploration of the many Italian works of art during my years in Florence, I could never miss such a jewel.

I did not even know who painted it (and we still do not know who to attribute it to), but it still indelibly shaped my idea of what a city should actually be. I was surely impressed by those clean lines, its order, its elegance and symmetry: in other words, everything that is considered to be pertaining to aesthetic beauty, at least in Italian culture. But those were not the only things that touched me: there was something more, something immaterial that the painting was telling me unconsciously.

Many readings later, this idea became clear to me. What really fascinated me, more than the buildings themselves, was the concept that aesthetics wanted to communicate. It was not just about creating something that was beautiful, high quality, refined. It was rather the importance that buildings have within

the construction of a society made up of single individuals. Here then is that the perfect perspective of straight lines represents, in actual fact, correctness and deep morality that transcended from the pure real estate field, but that were still mediated by it.

Now maybe this could seem almost science fiction to you, reader: is it really possible to change the nature and character of society simply through some buildings? Can simple buildings really play such a substantial role in human life?

But of course, and we already said it in previous chapters. The kind of buildings we create will inevitably attract a certain type of people, who will shape the neighbourhood in their own image and likeness. A high-quality building will automatically attract people of a certain level, who will also transform anyone that comes into day-to-day contact with them. And this mechanism is not something I invented at this very moment: ever since Plato's Utopia, the association between city and society has always been characterized by a philosophical nature. In this kind of works of art, this thought had also a sociological and political dimension, of course, but my thought has it too, given the fact that the administration of a city can be considered a matter of the people who live in it, even without the need of giving it a party-political dimension.

In Dubai, I believe the main manifestation of this concept lies in the total absence of crime and drugs. There sure are some people, especially wealthy expats, who try to get drugs or alcohol, mainly to organize parties on their yachts, but it is not the habit and it is not normal for ordinary people. And anyway, given that I personally disapprove of it in any case, it is still something that they do in the privacy of their homes and not before the eyes of everyone. This means that children and young adults will hardly come in contact with drugs or criminal groups as unfortunately often happens in many large cities of the world. The "baby gang" phenomenon, for example, is just a distant mirage in Dubai, and bullying is too, because diversity is just a matter of fact, given the very particular context we all live in.

The same confidentiality can be found in every single aspect. As we already said, Dubai is an international city, that is to say, that within it there are people who comes from hundreds of different culture, with different beliefs, traditions and behavioural patterns. They need to coexist by means of a compromise. Other cities welcome a large number of expats: just to name a few, there are London, New York, Hong Kong or Shanghai. In none of these famous metropolises, however, this happens in the same percentage as Dubai, where locals are a minority. It truly is a unique circumstance.

This is the main feature of Dubai: there is no majority that can impose a particular behaviour over all others. That is why it is a magical city. No one prevails on others, everyone has a certain degree of expressive freedom. No custom is judged and there is total tolerance to the most diverse preferences. Even the prohibition of pornography and obscene acts is a choice aimed not to harm the principles or cults of others who may have chosen to live differently. Everyone gets a judgement that depends solely on what they are, as individuals, and not on their belonging to a specific category, whether it is social, cultural, geographical, or any other.

As my friend Giovanni Bozzetti, author of the book “Emirati: nulla è impossibile. Guida al nuovo centro mondiale del business”, said, the Emirates have trade inscribed in their DNA: thousands of years before their unification, the United Arab Emirates were already a crossroads of trade, as the archaeological excavations carried out in the area demonstrate. If we also bear in mind the traditional culture of hospitality, which is typical for desert populations and consider the host as sacred, and wise leadership – beginning with the Father of the Nation, Sheikh Zayed –, which has used important natural resources to develop the country, we can understand how Dubai has become the city of tomorrow. Sheikh Zayed was the first to argue that a good leader must serve his people and satisfy their needs. Vision 2071 is tangible proof of that.

Thanks to the vision of Sheikh Mohammed bin Rashid Al Maktoum, today Dubai's economy is mostly driven by tourism, real estate and trade. Huge infrastructure investments have made Dubai incredibly attractive for investors of over 200 different nationalities, diverting the city and the economy from the oil sector.

The only criterion of discrimination is meritocracy. This probably depends also on the fact that almost everything here can be done via a specific app, especially at the administrative and bureaucratic levels. The whole process is thus more transparent, and the famous "schemes" we Italians are so used to are almost impossible. It should be said that meritocracy is valued in human relations too: the ability to relate to others is particularly appreciated, especially during interactions with clients.

First of all, this real tolerance is shown in the lack of racial discrimination. It does not matter where you come from, what your country of origin is: if you live in Dubai, you are one of Dubai, are you are treated as one. Sure, there is a good percentage of people immigrating from certain countries, such as Pakistan, for example, or India, Philippines and many others. They often happen to do much humbler jobs. However, this situation depends more on a series of historical and economic factors than on racial discrimination.

One of the most famous stereotypes regarding Dubai is that of the "exploitation of labour". Now then, I do not intend to talk about fields that I know very little about, since I do not have enough information to form my own opinion. However, I can say that, for any of the workers I have worked with since I came to Dubai, I never thought I was exploiting someone. Sure, a worker's job is not simple and it is physically very demanding, but it is also paid with a salary that (given the kind of job we are referring to) gives people their dignity so they can live and be industrious, and also have a role in society.

I am also thinking about cleaning staff, for example, a job that in Western countries is often underpaid and poorly considered, almost as if it were a lower class of value, intended to beings that

are less human. On the contrary, here in Dubai, it is a highly considered profession, precisely because their job is so important, given that without it we would be all deeply affected. This has become even truer in the last year and a half, as the pandemic has made hygiene and cleanliness even more fundamental.

Tolerance and compromise are applied even as far as sexual preferences are concerned. Even in this case, the rule to apply is that of mutual respect. It is preferable to avoid explicit physical contact in public in order to respect others, since it cannot be given for granted that we are not bothering someone or offending their beliefs. However, this rule is applied regardless of sexual orientation, and even to couples that are traditionally married. I think that respecting other choices or habits is in no way a limitation of my own freedom. By following this simple rule, a sort of equality gets automatically created.



Women

I find particularly interesting the issue regarding the status of women. The Arab Emirates are, as a matter of fact, an officially Muslim country, so we, as Western, would maybe think that women here are at least discriminated against, if not subject. In fact, however, the situation is much more complex than that.

First of all, a great premise regarding expat women must be done. A woman coming to Dubai to work will not find any particular difficulty. She will be able to access the workplace and get a salary just as a male colleague, and she will not have to fear any lack of respect. Furthermore, she will not be obliged to change her lifestyle or even (a much more trivial element) her clothes, given that decor must be respected, as it would anywhere else.

I have to admit, though, that the situation is slightly different for local women, even if this does not necessarily mean that it is worse. Outside the family, they have the same freedom as the expat women, with the obvious difference in their clothes. The clothes that we Westerners erroneously call “burka”, that is to say, different levels of body coverage, can actually be found pretty often. However, it is in no way an imposition by any other. It simply is an expression of their culture and a tradition which they live as a normal matter of fact. There is also an equivalent for men, which is usually called “kandura” (but it can be called in many other ways depending on its shape), and even then it is a traditional costume.

At the moment, I live in Dubai alone, and I have sometimes decided to date a couple of local women, who were often veiled. I found this experience absolutely enchanting. Arab women always find a way to make you understand what they are actually communicating, thanks to the gestures of their hands, their feet or their eyes, and they can really find a way to make you suppose how beautiful they could be under the veil that covers them. I must say that my dating them, given that I am not a Muslim (nor I could ever become one: I definitely am a Catholic), was more of a bother for the men in their community.

And in fact, the field in which it is mainly possible to grasp the cultural difference and the interference of religion in the social sphere is family law. Islamic law applies exclusively within local family dynamics, where the man is the head of the family, the ruler of the house and all of its components, particularly women. It should be said, though, that this law creates real difficulties mainly in the event of a divorce, and particularly if the custody of children is being discussed. While in other countries the mother figure is always benefitted, as it was in Italy in the Sixties and as it is in London today, in Dubai custody is always given to the fathers, who are considered as “owners” of the children.

Even regarding this situation, though, it must be admitted that Dubai is slowly moving towards greater equality, and a recent survey shows that two-thirds of young local people think that

there is an excessive interference of religion in political and social issues, which is a clear sign of a deep change. The high political spheres of the Arab Emirates have also realized that, by giving women more freedom, they could ensure themselves a wider pool of users with significant power.

For this reason, too, they have started to give more public roles to women, in a process that is considered as an actual national “pinkwashing”. They also speak of a “race for empowerment”, that sees in the forefront the president of the General Union of Women, Sheikha Fatima bint Mubarak Al Ketbi, a prominent figure within the environment of the Emirates. This effort is, fortunately, bearing fruits. The UN Women, that is to say, the United Nations body responsible for seeking gender equality, declared that the Arab Emirates have been making important steps towards this goal, also thanks to the recent changes made to the legislation, which have brought more safeguards and rights. Just think about the fact that, between 2019 and 2020, 11 new laws for the emancipation of women have been passed, and the Emirates earned the title of first Arab country granting parental rights to employees of the private sector, as well as having lifted the reduced sentence required for honour-related crimes.

In just a few days, Dubai is going to host the Expo, and it is interesting to look at the “Women’s Pavilion” created by the Emirates. It is a whole pavilion of the fair completely dedicated to the figure of the woman and her emancipation as “inspirer and promoter of change”. This way, the commitment of the Emirates to this cause has been clearly shown.

The Ministry of Happiness

Finally, a woman was entrusted with the leadership of the new ministry that was created in 2016: the Ministry of Happiness.

To Westerners, the name could probably sound somewhat familiar to something in the 1984 novel by George Orwell, as

he created many ministries with very peculiar names. In the book, this choice has a clear satirical intent, however, I found this coincidence to be particularly interesting. The city that most of all others reminded me of the painting of the ideal city and therefore the utopian ideal of perfection and harmony now had a ministry that seemed to pertain to the same literary current.

Now then, one might wonder if the name was ironic even in this case, as it was for Orwell, or if the Ministry actually intended to maintain its promise: to work towards the well-being of citizens and visitors.

It is this very concept that I would like you to keep in mind when reading this book. My intention is to get you involved in my business, to get you to cooperate with me, but it is also to realize projects in a city that has well-being as an ultimate goal and main motivation. This is a key aspect to me.

Now, are you curious to know if this Ministry really works?

Well, just know that I am not sure I will come back to Italy very often.

To recap, what makes Dubai an ideal city in the truest meaning of the word in my opinion?

1. The total lack of crime and drugs.
2. Discretion and consideration for different customs and practices.
3. Tolerance of others and their freedom.
4. The meritocracy arising from a transparent and functional society.
5. The increasingly important role of women in politics and in their daily lives.
6. The creation of a Ministry of Happiness that aims to work for the well-being of all those who live and visit Dubai.

Ministry of Happiness wants to know UAE residents better

Muhammad Al Zamil - Abu Dhabi
 happiness@happiness.gov.ae · Updated on March 26, 2019 at 10:22 am



The National Program for Happiness and Positivity



The ministry will have questionnaires - with personal questions - to get acquainted with the needs of the UAE residents.



CHAPTER 6

Wonderland

Dubai is fake

I am sure you must have often heard this phrase, which seems to me to be the most frequent description of this city. Over the years Dubai has had to face the most diverse accusations. Sure, having a Sheikh who likes to go big, aiming to surpass every existing achievement, does not make things easy, also in comparison with the slow decisional and operational processes of the old continent.

For example, when the emir chose to build the world's largest Ferris wheel, no one actually believed that he would do it. Everyone was choosing to bring him bad luck, instead, hoping that he would fail. And even with the Palm, it was just the same: the whole world had its eyes on the lunatic who was trying to create islands where there was only the sea. In both cases, however, they had to change their minds, so much that now a second Palm is under construction in Jebel Ali and a third has already been planned in Deira: both of them are very near to the famous and coveted Palm in Jumeirah. Nonetheless, ambition was still criticized, as often is the case even outside Dubai.

Anyway, I would say that Dubai is young more than it is fake, just as it was for New York when it was not 50 years old yet or

as it is for Las Vegas now. Its many towers, their eclectic style, the large number of places dedicated to catering and hospitality, its large routes of communication, its Free Zones and many offices bear testimony to a city that offers many opportunities, not only as far as leisure is concerned, but also regarding work and business.

Dirty money

Another mean accusation is that “Dubai has been made with dirty money”. Well, one must always take into account the fact that there is no city in the world that was not built also because someone needed to put large sums of money back in circulation. It has always been like that: it is merely because Dubai is a much younger city that this can be seen more clearly, whereas in many other cases history erased the traces of what is considered misdeeds.

Let it be clear that I am in no shape or form justifying using illicit resources, and I would never sacrifice such an ethically important aspect in the name of opportunity and progress.

Anyway, this kind of phenomenon does not exist anymore, even in Dubai. As I previously said, today banks and business operations, both public and private, depends on much more transparent rules, especially thanks to the employment of very advanced technological means.

The exploitation of people

We can often hear that “Dubai has been built exploiting manpower”, an issue I started to address in the previous chapters. Now, it is important to try and understand a different mentality. Lots of good Filipinos, Indians, Pakistanis, Africans, and so on, own nothing, and sadly, in their countries, they do not even

have the chance of finding a job. Getting a job here in Dubai is yet another chance that they would not have in their countries of origin, as in many others. Therefore, working becomes an opportunity to redeem one's human and professional dignity, since in the end each of us is realized in what one does, and it is also an important way to get the means to support entire families.

In my own experience, in the many construction sites, I visited I saw many good and capable workers, who were treated very well, especially by their superiors, who are very attentive to workplace safety.

Of course, it is completely normal that there should be a debate on required shifts or claimed rights. However, we should also keep in mind that we are not in a democratic country: as a matter of fact, there are predetermined rules that must be respected and little space is left to the freedom of interpreting them at one's own pleasure or advantage. With that being said, no one is forced or taken from their countries to work here, as was for example during slave trade: in Dubai, there is a demand and there is an offer, and this dynamic makes the market move.

As I said, I am mainly referring to my own field, which I know very well. I am with these workers every single day I spend on the working site of my property, and I notice that they are good people, who are content with their job. It surely is hard work, but every job has its own difficulties, which in this case are mainly physical whereas in other occupations that may be more psychological. This is completely normal, after all, and there is a market that pays certain amounts precisely because there are people available for those same amounts. I happened to feel more exploitation dynamics in other fields, such as in many massage centres, where the masseuses, even if they are not forced to offer "extra services" to customers, must work even 15 hours per day just because the centre is open 24/7. These scenes belong to many cities, unfortunately.

There's too much real estate in Dubai

This is another stereotype the I often hear from many investors, and I think it should be denied.

Dubai is surely a booming city and this means that there are new neighbourhoods that are being born and others that are already well established and are growing by the eye. The real reason for that is already clear: the city is preparing itself to accommodate the great increase in residents that the ruler is intentioned to bring. This process has already been happening, and for thirty years now.

That is why, even if the number of real estate properties is actually big, that of vacant or otherwise empty apartments is really minimal, except for low-quality ones, as in every city of the world.

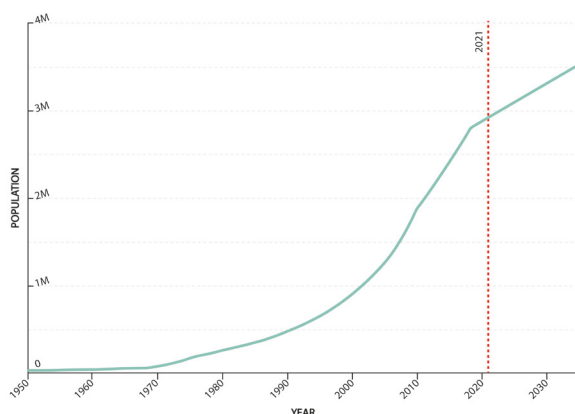
Also, it should be taken into account that we are talking about a city covering 35 square kilometres of land, with a population density corresponding to about 800 people per square kilometre. The men-to-women ratio shows a clear majority of the male gender, a curious detail compared to the average of many other cities. 85% of all residents are expats, who naturally look for apartments, which also have to be high in quality.

These numbers are still meant to grow, especially considering “Vision 2040” and the government programme, which plans to reach 5 million inhabitants by 2040.



Dubai Population 2021

2,921,376



Dubai lacks some green

Many people believe that Dubai lacks green areas, and I must admit it: it is true, there are not many. It should be said, though, that this is quite normal if we keep into account the desert and the numerous difficulties involved in trying to maintain Mediterranean vegetation even in a climate so different from ours.

For this reason, it is more likely to find other kinds of natural elements, such as palms or lawns. There still are some green areas, and even big and well-tended ones, especially within the so-called “compounds” that host the golf courses. Many people choose to live inside these areas just because of that, as the success of many initiatives shows, for example, the prestigious “Compound Green”. They also choose to live near golf courses, even if they cannot even play this sport. Furthermore, these areas do often provide excellent services.

Anyway, even if at this moment the situation is still to be improved from this point of view, the government is working tirelessly to create larger and more numerous green areas, as well as to add some bike paths, a service that I miss a lot (I have to admit it).



Dubai is a city for the rich

In Dubai, as in many other world capitals, you can find the best of the best. There are all luxury brands, and I am not just talking about fashion, but also about the best hotel brand in the world or many brands of Supercars, which here can also be customized in the most bizarre ways. There are all the most famous restaurants, such as Nusret, Armani, Nobu, Coya, Buddah Bar, Billionaire, Cipriani, Amazonico, and many others more, so much that it would be very difficult to name them all.

On the other hand, just as you pass the corner, you can find many hotels, residences or apartments that are much cheaper but still manage to provide a lot of services. Sure, you will have to settle for a more traditional interior design, but you will still be able to find a lot of excellent restaurants that are also surprisingly cheap.

Among the many places I have been able to experience, I have managed to find out who prepares the best samosas, for example, or the best falafels in the world!

In short, Dubai surely is a city that gives many satisfactions to the rich, but it also allows less well-off and “ordinary” people to live here and enjoy the many opportunities that there are.

Dubai is a tax haven

I find it difficult to accept the description that “Dubai is a tax haven” because actually, I do not think it is.

BUSINESSES

The United Arab Emirates do not have a federal corporate income tax scheme. Instead, the corporate income tax is determined on a territorial basis following the respective tax decrees issued by the single government of each of the seven states that constitute the United Arab Emirates. Some of the Emirates have also issued specific Banking Tax Decrees, which impose a corporate income tax on foreign bank branches operating in each respective Emirate.

According to tax decrees, corporate income tax is payable following a progressive rate system, with rates up to 55%. Foreign bank branches are subject to a corporate income tax at a fixed rate of 20%.

Despite this, corporate income tax is currently only applied to foreign oil companies that engage in upstream oil activities and to foreign bank branches.

Let me explain: the legislation would provide for taxes, even with precise indications as for rates, but the same legislation makes it possible not to apply them. The application of the rule remains suspended (at least for some of them).

Furthermore, the free zones in different Emirates have their own rules and regulations, and typically they offer “tax holidays” or tax exemptions (usually regarding corporate income tax) to businesses within the free zone for a period of 15 to 50 years (it is renewable, too).

In the light of the above, most businesses registered in the United Arab Emirates are not currently required to submit their corporate tax returns in the United Arab Emirates, regardless of where the business is registered.

Given the current tax environment I just described, updated to July 28, 2021, issues such as the deductibility of expenses, the

(potential) double taxation of dividends and earnings, and the ability to carry over tax losses are currently of limited practical relevance regarding the national corporate income tax for many of the businesses that operate in the United Arab Emirates¹.

REAL ESTATE

Most Emirates impose a municipal property tax, generally referring to the annual rent value. Usually, the tenants are the taxpayers, although in some cases separate taxes are paid both by tenants and property owners. In the Emirate of Dubai, the municipal property tax is currently set to 2,5% of the specified rental index for commercial properties (charged to the owner) and to 5% for residential properties (paid by the tenant).

There is also an expected registration fee on the transfer of ownership of the land or property. For example, a land registration fee in the Emirate of Dubai is imposed at a rate of 4% of the sale value of the property (which is applicable also on direct or indirect transfer of shares to an entity that owns real estate properties). This tax is to be paid only once. There is no IMU, property tax or Council Tax, which are expected in other countries.

INDIVIDUALS

There is zero income tax. Employees have no tax deductions, and the net income on their payroll is completely theirs. Health insurance costs are borne by the employer.

The following article on the PWC website is also very interesting. It concerns different taxes for individuals all over the world².

Anyway, we are faced with an emir who is also an owner, who owns the land that the residents live on. Within his property, he chose to establish certain rules that his “guests” have to follow. Now then, on the one hand, the law provides for certain specific

1 Source, July 28, 2021: <https://taxsummaries.pwc.com/ united-arab-emirates/ corporate/taxes-on-corporate-income>

2 <https://taxsummaries.pwc.com/quick-charts/personal-income-tax-pit-rates>

taxes to be paid. On the other hand, though, it does not apply many others that many other countries impose instead.

However, in Dubai, when there is a tax, you have to pay it. Even considering the sole real estate field, for example, there are some taxes to pay, which concern the registration of a real estate purchase contract (4%), the donation of property (1.125%), the registration of a real estate loan contract (0.25%) or a long-term lease (4%), the granting of land for construction (1%) or for usufruct (2%), and so on.

Starting in January 2018, 5% VAT was introduced in Dubai, and it is applied in particular to the provision of services. As for Real Estate, VAT is applied only to transactions related to commercial real estate. If anything, the problem concerns more annoying taxes, such as those on income and healthcare, the cost of which is borne solely by the employer. This actually constitutes a great reason to have a base here, if the activity allows it. In particular, this applies to freelancers and entrepreneurs, who create their own income with their work and sustaining the risks, and will not have to “share” the results of their merits with a country that does not clarify how it will use those resourced and in whose interest.

Instead of criticizing or banning, it would be better if the government and the various ministers of the economy learned how to improve the residents’ lives so as not to drive them away. If they really are not able to reduce the tax burden, they could at least immediately improve services for citizens.



If one chooses to live and create a business in Dubai, works constantly in this city, stays here even on weekends, creates professional contacts and still pays taxes in the country where he actually lives, is he taking something from someone? More likely, it is the other way around: he is bringing something to the world. Sure, some old fox could also create a business based in Dubai just to live in another place altogether. He could take advantage of the low taxation that exists in certain fields. But this certainly cannot be considered a fault of Dubai, if anything it is the old fox's.

It is utterly unfair to look with suspicion at the performance created by Dubai businesses if those same businesses have a serious and stable organization here.

Dubai is Wonderland

Actually, though, of all the definitions that over time have been poured on this city, never once was quoted mine: Dubai is Wonderland. Of course, I am referring to the surprising and confusing world Alice visits after falling down the rabbit hole. This city is full of a thousand wonders, but still, it creates a sense of utter confusion for those who want to move or invest here. Where to stay? Where is better to invest?

In Dubai Marina? In Beach Front? Or is it better on the Palm? In Downtown, Business Bay, Dubai Hills or in DIFC? Will the Creek be the new heart of Dubai in a few years? Or will District One appreciate more? Should one prefer Arabian Ranches or The Valley? I could go on forever...

It is its geographical disposal that provides many interesting peculiarities.

Dubai was created in the shape of a rectangle, with a long side overlooking the sea. To the north is the airport, which is the second-largest in the world: almost everyone that comes to Dubai land there. To the south, the city faces the sea and is largely

occupied by Dubai Marina, the district overlooking the beach. From here, two main routes of communication begin. The first one is the way of the sea, that is to say, the one that starts from the port and allows you to move in all directions. The second one is a huge road, the Sheikh Zayed Road, which provides up to 8 lanes per way and extends for 55 kilometres, connecting the whole city from north to south. It actually is the main artery of the city, so it is used by almost everyone who wants to move around Dubai. Recently, the subway was also completed: it extends throughout the city and also reaches beyond Dubai Marina. It is a fully automatic metro, without a driver, and has achieved the record of the longest railway system in the world, although it consists only of two lines. However, there is the intention to extend it further, always maintaining its characteristics of modernity and futuristic design.

Perhaps, the most interesting peculiarity, though, is that Dubai has completely no centre, as I happened to notice in Los Angeles, California, too. The original nucleus of the city is Khor Dubai or Dubai Creek, that is to say, the part of the city that surrounds a completely natural saltwater anal and that is constituted by two historical districts: Deira and Bur Dubai. If you are familiar with ancient Greek culture, you will surely recognize the name that was given to this place: Zara.

Here you can still find lower houses that are now more of a museum than actual houses. These buildings are extremely characteristic because they are still built with materials that were used in past centuries in this area, namely sand, water and different bonding materials for the whole to hold over time. Furthermore, the canal is often crossed by traditional boats, the “dhow”, which contribute to making this area one of the most evocative of the city. Finally, in the nearby districts, there are the most famous “souks” of Dubai, especially the dates, the spices and the gold ones, which always attract many tourists.

Originally, this place was not just the old town: it was all of Dubai!

Be careful, however, to believe that this part of the city is entirely based on tradition. In fact, this is the area in which the Dubai Creek Tower is being built, which aims to be the highest building in the world, largely surpassing the Burj Khalifa. There is also the intention to completely revolutionize the district within the next ten years, reconfirming the city's movement towards a continuous and unstoppable future.

A city without a precise centre and without a stable or primary point of reference can surely disorient an unprepared investor. Choosing where, when or on what project to invest in is not easy. That is why I refer to Dubai as Wonderland: it can easily confuse real estate investors, as it confuses those who move there. It is really difficult to understand which is the best district to meet your needs. The real estate market in Dubai is really impossible to understand also because it is constantly evolving and expanding, at an incredible speed. In actual fact, though, the city not having a centre is absolutely within reason. Even better: it was a real logical choice.

Dubai was designed with great foresight and this has allowed to establish in advance the guidelines of its development. For this precise reason, it was possible to understand from the very beginning that a centre would not be convenient. This kind of choice would have automatically lead to the creation of a "better" area of the city and one or more "secondary" areas, that is to say, less prestigious, less luxurious, less central indeed. For Dubai, the choice was different and, in my opinion, very intelligent: they created thematic areas within Dubai itself, which became more cities in one.

So if you want to live by the sea in a tourist area you can choose Jumeirah Beach Residence, which is formed by 40 towers directly overlooking the beach, almost all of which are residential.

Behind it there is Dubai Marina: this strip of totally artificial land that extends for three kilometres along the Persian Gulf has allowed to accommodate more than 50 thousand residents to date, and it is expected to accommodate up to 120 thousand.

Many large luxury residential buildings have been created in the already completed area, forming a forest of skyscrapers with shapes and lights that are really spectacular, especially in the evening and on the seven-kilometre-long promenade.

Behind Dubai Marina, you can choose Jumeirah Lake Towers, a complex of 80 futuristic towers. Its “clusters” overlook artificial lakes that enliven the life of those who work or reside in the towers.

If you prefer a less touristy, less “for families” sea, and you would rather have a more sophisticated atmosphere, Palm Jumeirah is the place for you. It is a quiet residential area full of sandy beaches where you can sunbathe and swim in peace. We are located on the famous palm tree that provides the most luxurious hotels and residential buildings in Dubai. It is also home to the famous hotel Burj al-Arab, the famous sail building that you can see in all the city views. This is certainly one of the most ambitious experiments in history, a masterpiece of Emirati engineering, and maybe this district is considered particularly luxurious for this reason too. There is also another beautiful urban promenade, which is embellished by the La Mer project, which has even more enriched what already was a lovely place.

There are still some beautiful coastal areas to describe, but moving towards the interior there are just as many districts, such as the Jumeirah Village Circle, a residential area entirely built in concentric circles. In the beginning, it reminded me in some way of the structure of the Panopticon from Bentham (of course, without any reference to prisons!), and once again I connected this city to the ideal one in my mind.

The actual Jumeirah, which is less talked about, is very beautiful, too. This is the area that develops around the Four Seasons hotel of the district (there are others in different parts of the city), and that is why there are a lot of clubs, restaurants and nightlife attractions. Fun cannot be missing.

Moving even further away from the sea, the districts do not lose their beauty. If you are fascinated by ultramodern cities, for

example, surely the area of Dubai for you is Downtown. Here you can find all the tallest and most futuristic buildings in the city, including the famous Burj Khalifa, which at the moment is still the tallest building in the world. Actually, the Burj Khalifa itself played a very important role in my decision of moving to Dubai, because it reminded me of Florence.

You are wondering why, are you not? Now you are maybe thinking that I am a fool, but let me explain my vision. If you know Florence, you surely know Filippo Brunelleschi's dome. This building has a very fascinating story: not only was it the largest masonry structure of the time, but in theory, it should not have been possible to build it, or at least not by the technological means that were available. As it was, a dome of that size and with those features was never even conceived. Nevertheless, the building lives and it has resisted well enough for hundreds of years.

The most fascinating part of this story is precisely the intention of its creator and builder: to demonstrate that limits can be overcome, to create something that could inspire others, something that could surpass every ideal of beauty of that time. This leads me to say that Dubai, in my heart at least, is actually similar to Florence, and Burj Khalifa reminds me just that: the union of capable and visionary people, who, just like in a Big Bang, meet and clash creating a whole new world.

Anyway, to understand just how modern Downtown is, just think that today it is defined as "the centre of now". That is why



most younger expats settle right here, renting studio apartments that are considered to be extremely fashionable, which allow them to access a great variety of luxury services, for starters the Dubai Mall and the Opera Theatre. However, unlike what you may think, it still remains a fairly family-friendly district.

An equally business-friendly district that is built in a slightly less “finance” style is Business Bay, in the western part of the city, opposite to Downtown. This is the economic district par excellence, and even in this case the landscape under construction already shows amazing skyscrapers and quality services. Furthermore, the district is built on the Dubai Water Canal, which is one of the main touristic attractions for those who love nature and creates a beautiful landscape.

Still within the finance theme but raising the level we reach DIFC, that is to say, the Dubai International Financial Centre, the “super top” area of Dubai. Here you will find not only the best offices and headquarters of the city but also the most famous restaurants and clubs in the world. It is therefore a place where both work and personal life can find ample space and inspiration. It is also a really beautiful area, where the quality of life is exceptional.

Finally, the real rich choose to live in Emirate Hills, located inland. It is a completely private residential area located among the green fields of the Montgomerie Golf Club of Dubai, and of course, it also entails a truly luxury hotel. In this district, we no longer see the tall buildings of the rest of the city, but rather immense villas with their swimming pools, like the best American movies we have all seen at least once in our lives. And in fact, it is from them that the district took its name, which is openly inspired by Beverly Hills. From here, the most affluent members of Dubai society can enjoy the full skyline of the city from a short distance. Also, just near the villas, you can find all the most prestigious international schools, such as Dubai British School, for example, or the Dubai International Academy, or my favourite, GEM.

There are, however, still many other districts that stand out for the most diverse reasons, such as Maydan for example. Wanted directly by the Emir of Dubai, this area of the city has been dedicated entirely to the centrality of the racecourse with the world's most important horse races, especially in the context of the Dubai World Cup. Over time, however, the district has grown far beyond this original core, and now provides a series of villas and residential buildings surrounded by lush parks. It has definitely become a very much popular area to live in.

This is even truer since District One was added, one of the latest districts to be built in Dubai. Its full name is Mohammed Bin Rashid Al Maktoum City District One in honour of the Emir. The intention behind the construction of this huge complex was to build a very prestigious community, in which the level of services offered was really high. Not for nothing, these houses also enjoy a spectacular view of the Crystal Lagoon, a complex of artificial beaches with crystal clear waters that was built keeping always in mind the needs of families and especially children, and that includes many services that improve the quality of life. In addition, all buildings were created according to exceptional standards, even the aesthetic ones.

If these districts are not good enough for you, just know it is not over at all. There are many others and even more will be built in the coming years, at a speed that for any other city would be considered impossible. Just think that some areas are actually built from scratch thanks to the artificial islands. I talked about the Palm in Jumeirah, and I even hint at the new and biggest Palm that is being built in Jabel Ali, but it is not the only one. Blue Waters or Beach Front are other clear examples.

I bet you're wondering if I also have a second job as a Dubai tour guide: not at all! Surely I invite you to visit the city also as a tourist, you can have a lot of fun and discover very fascinating places. My argument, however, for better or for worse, is decidedly more prosaic in nature. Understanding how a city is structured is essential to predict how it will evolve in the future, and therefore where to invest (be it with me, as I hope, or alone).

Moreover, this “thematic areas” model is slowly spreading to other areas of the world. In Italy, it finds its application only in Milan, where, in recent years, entire neighbourhoods have been renovated, bringing them to new life. The most striking examples are definitely City Life on one side and Porta Nuova on the other, but actually Isola, too, is having a significant redevelopment, as well as the area around Via Tortona, or the one that goes from Piazzale Lodi upwards, has already taken the road to becoming a new coveted destination. The same applies to areas that are currently considered outside Milan, but in anticipation, we know that they will soon join, such as Sesto San Giovanni, where there is a clear intention to bring it to the level of the city.

It must be said: Milan has never made a secret of wanting to be a city with an all-European perspective or even an international city that unfortunately does not find equals in its Italian colleagues, let alone in Rome. In my opinion, the main reason for this great ability of Milan to progress and offer higher standards lies in the different administrations that have succeeded each other over the years: while having different political colours, they have managed to carry on a continuous administrative line. That is why today Milan is the only Italian city that a large international investor might be interested in.

Anyway, regardless of my reflections on the Italian market, which I will probably discuss more deeply in a book dedicated to this topic, I think we can agree now on my previous statement: Dubai is Wonderland, because it surprises, amazes and confuses those who do not know and understand it. It is hard to find the way for a resident, let alone a foreign investor!

Where should I invest?

I am sure at this point you are wondering: so, where is the best investment?

Well, of course, I cannot give you a straight answer, and that is simply because it really does not exist. The problem is never to receive the recipe for the perfect cake from your grandmother but to find the way to reproduce it so that it is just as good.

And surely the fact that Dubai is a city where marketing is king does not help. Even the real estate industry uses every kind of advertising possible, and you cannot even land at the airport without someone trying to sell you anything, including of course a house or a whole building. This can be very puzzling.

My fundamental belief is that there are always good investment opportunities: the problem is finding them, and above all finding them at the right time. What at any given moment may seem like the best opportunity ever could not be it anymore just a few months later.

I am new in the industry, and (I have to admit it) I like to do it the easy way, so I prepared a checklist of all the criteria I follow to choose where to invest. I must say that I have learned a lot from the methods and analysis that Carlo Abbiati, a real estate expert, has been using for over 15 years here in Dubai. First of all, I choose the areas where I find the highest number of trades in the last ten years. Then, I assess which are the areas with the largest number of plots, that is to say, of land fields still available to build, and I proceed to eliminate them. In fact, a small number of plots indicates that no other buildings will be born in that area, therefore there will not be many units available and, if the area will do well, those who want to live there will be forced to buy either by you or by another.

Finally, I believe the location to be an absolutely central element: both the positioning of the single unit and more generally that of the building in which it is located. Things change, even within metres, from one bank to another, depending on who lives in the flat below, where is the metro station, the distance to a pedestrian bridge, and so on: and there are many other reasons, such as the views and shadows of other buildings. Another personal conviction of mine is that investing in water is always a good

choice, just as it is for a house in front of the cathedral in one of our cities in Italy. The location in this case conveys concepts such as comfort, well-being and above all the feeling of owning a prime location. Of course, water is even more important if we consider the fact that we are in the desert, and especially since it also gives access to a whole series of additional advantages, such as access to the port and the use of boats. Precisely for this reason, my argument applies both to the sea and to the lakes and canals, creating a multitude of points of high real estate interest. They are almost all valid, but which is the safest? Which one will make you earn more? Which one will appreciate? Which one to choose?

Disneyland

It is precisely this peculiar characteristic of being Wonderland that led me to love Dubai so much. And do you want to know why? Because it kind of reminds me of Disneyland.

Yes, you got it right, Disneyland: and for many different reasons. It is said that Walt Disney had the idea of creating a large amusement park while watching his daughters play on a carousel: he wondered why children should have fun and adults should not, and so he devised a place where this was possible. I think something like this also happens in Dubai, with all those services that are available to everyone who lives there, beaches, restaurants and clubs where you can have fun. In addition, at the opening Disney stated that the entire park was dedicated to dreams and ideals, and in actual fact what can be closer to an ideal than a tower that can reach the clouds, or an island that is built out of nowhere or the world's largest Ferris wheel, simply because someone decided it had to be so?

But above all, Disneyland is divided into thematic areas, starting from Main Street, a 19th-century American city that was greatly idealized. Then, we have Adventureland, a land of jungle and wild adventures, and Frontierland, which recreates the rural

American atmosphere of cowboys. There are Fantasyland, where everything is magic, and Tomorrowland, which anticipates the cities of the future, up to an area that even allows you to venture into space.

Are you starting to see where I am going with this?

Each of these areas seems to be based on one of the themes around which utopian philosophy has been built over the years. Just like that, all the ideals of the past, present and future are realized, and even those of a fantasy world that in reality would not even be possible to live. And not only that: all this is created in the most absolute order and harmony, something that we would hardly be able to imagine in everyday life.

I think the same thing happens in Dubai, where every single fantasy that people can have in their hearts is realized. This means that even if we are in fact in a desert, at the same time we are surrounded by lush oases and streams. If on one side there are souks, a legacy of a past that seems now destined to disappear, next to them we find the lofty buildings of the most modern city. And if we really don't want a dhow to take us from one side of Dubai to the other, sailing quietly between the currents of the Creek, we can always take one of the most modern highways in the world or get on a subway that drives itself.

Let us then speak of Wonderland of contrasts, which finds its beauty in them. Because in the end, the characteristic that most of all allows us to distinguish Dubai and the Arab Emirates from any other place is their "vision", their ability to see beyond what already exists, the opportunity to try to overcome their limits and those so far reached by mankind in order to go a little further, to touch the clouds or to explore the depths.

I realize these are the words of a man in love. In love with a city, but even more in love with a utopian idea and full of admiration for that fool who made it.

And if Walt Disney said that Disneyland would be "the happiest place on Earth", one should wonder if he was perhaps anticipating Dubai.

To recap, what are the sentences referred to Dubai that I can recognize as my own?

1. Dubai is not fake.
2. Dubai has not been made with dirty money.
3. Dubai has not been built exploiting manpower.
4. There is not too much real estate in Dubai, given the demand that there is and will be.
5. Dubai provides many green areas near great towers (compound) where the golf courses are.
6. Dubai is not a city reserved for the rich.
7. Dubai is not a tax haven.
8. Dubai is Wonderland instead, a world that is rich in its intrinsic diversity, where it is difficult to understand how to move and where to invest, just because, like Disneyland, it allows you to connect dreams with reality.





CHAPTER 7

My reasons

Everything we have said so far should have made you understand why I chose Dubai as a place to live as well as a place for my investments, and why you should do it too, maybe collaborating with me as I hope you will decide to do. Moreover, I strongly believe that it is always necessary to invest with passion. Of course, I could never sacrifice numbers, but that does not mean you cannot choose a place you strongly believe in.

And that is what Dubai has been to me. The combination of a place that, once I got to know it, I learned to love and where I could also make good deals, given the moment that is living.

As an Italian who is accustomed to political proclamations or government decrees, following both of which nothing happens, it surely amazes me living in a place where you make a plan, you decide, you announce and you really do. People in the Emirates are serious, the rulers want to realize the vision they promised and, in addition, they aim for excellence and work for the best. Perhaps this is also why we Italian artisans and entrepreneurs are so appreciated here. Because of our flexibility, which allows us to adapt to the demands and context, and also because we live our professions always trying to improve even more what we do.

As for me, the icing on the cake is **the security and the absence of crime and drugs**, which I will talk about more shortly. This, in my opinion, is a fundamental and central value, and I am sure that such an organized city will definitely continue to attract other people like me, who see order, fairness and tranquillity as important strengths. They also would, in turn, attract other similar people, creating an extremely positive virtuous circle. This aspect made it even more challenging what was already a challenge per se: the cultural difference was there and I felt it a lot, but I chose to move here the base for my activities so that I could experiment with something that was totally innovative.

The quality of life is indeed another fundamental factor that I, personally, have never been able to disregard. Let me just say that the “city ranking” of Dubai, that is to say, its positioning within a global ranking that evaluates this particular aspect, is superior to many other cities, for example (only because we have often named them so far) London, Miami and Milan. In fact, the quality of life in Dubai is equal to that of Singapore, with the difference that for now Dubai remains even cheaper.

Economic reasons

There are, however, plenty of other reasons why it is worth investing right here. Let us start with some strictly economic reasons.

The first reason is **the gross domestic product** of the United Arab Emirates. We are talking about a country that is currently the second-largest economy in the Arab world after Saudi Arabia. Gross domestic product has risen dramatically in recent years, to exceed, in 2021, the 400 billion US dollars. And only a third of this figure is due to the oil market since Dubai has been able to switch to being the hub of international business. Again, just like the construction of the city itself,

what is surprising is the speed of growth, the fastest of all the economies in the Middle East. A chart of this type bodes well, earning the country a promising growth rate of 4%. In addition, a high gross domestic product also allows to maintain excellent relations with many other states, such as China, India and the United States, managing to build lasting trade relations that attract even more opportunities for wealth.

We must also keep in mind that the currency is also very stable. The Arab Emirates use **the Dirham, often abbreviated to AED** as currency. The peculiarity of this currency is that in 1978 it was officially linked to the Special Drawing Rights of the International Monetary Fund. This means that it is directly linked to the US dollar, making it in fact suitable not only for any type of forex exchange rate, but also a stable element in import-export trade. Precisely for this reason, in recent years many investors have been attracted to this city, which has focused on the business sector, attracting over 21.6 billion dollars of foreign investment only.

Administrative reasons

Other reasons concern **the Government of Dubai** instead, and therefore the internal administration.

First of all, I would like to mention the aspect that has conquered me most of all, especially regarding the quality of life as a resident, but also as an investor: **safety**. Interpol recently stated that the Arab Emirates are a politically stable country, and therefore extremely safe for citizens and residents as well as investors. This also means that the scarecrow of an economic crisis caused by internal wars should not even be considered.

Security also means total absence of crime, as I have repeated several times in previous chapters. This depends on numerous contributors working towards a common goal. The Dubai police force is extremely efficient, though hardly perceptible. They operate almost invisibly ensuring safety. This process begins at the

airport, where checks are extremely thorough, even with regard to documents.

Within the country, there is a policy of zero tolerance towards drugs, excessive alcohol consumption and any behaviour that is considered even remotely excessive or offensive. And these are not just words: very severe penalties are provided for anyone who is caught in possession of any substance not admitted. In particular, any kind of excess in public is punished, involving even arrests.

Another fascinating element is **the judicial system**, which is considered one of the best in the world. The Arab Emirates are based mainly on civil law, inspired by several of the most famous western rights, such as French, Roman, Egyptian and of course Islamic. This implies that even for relatively minor offences, very harsh penalties are provided, which often involve very long detentions. For this reason, respect for the law is fundamental and constitutes one of the central features of the city. Even from an educational point of view, civic education and mutual respect are also taught from an early age.

For all these reasons, the crime rate is very low, reaching 4%, like Qatar and Taiwan. To get a clear idea of how ridiculous it really is, just think that the Italian crime rate corresponds to 46%. Therefore, it is not difficult to understand why Dubai is a real paradise on earth for lovers of security and order that come from outside.

The level of security is certainly one of the many reasons that have led Dubai to the top of the ranking of the cities chosen as tourist destinations: to date, it is a fundamental destination. Regardless of the negative impact of the recent pandemic, in 2017 and 2018 Dubai reached the milestone of **the fourth most important tourist destination** in the world, with 17 million tourists from over 233 countries. Even in 2020, Dubai is still in fourth place, even with the pandemic. Besides bringing important economic inputs and having become a very important sector for the economy, tourism has also caused a net improvement of infrastructure. For example, not only does Dubai host the second

largest airport in the world, but it aims to inaugurate an even larger airport (which should also gain world leadership) by the opening of the Expo.

But it is not just about external connections: the internal roads are also carefully studied. A network of large roads connects the entire city and puts the Emirate in communication with all neighbouring countries. Each road also leads to the sea routes, which are fundamental for a country that was originally born as a port. The three ports of Dubai include that of Jebel Ali, the largest of all the Middle East and the ninth in the world. But the city is not content, and is also investing in the Hyperloop, a new technology that aims to transport goods to more than 1200 kilometres per hour: will it also achieve this umpteenth record?

Innovation

All these goals surely depend on the fact that the city's true source of innovation is technology, and the most advanced one at that. Let me rephrase that: they depend on the Emir's mission to interpret his leadership as services and joy to distribute to people. Instead of aiming at personal enrichment and excessive accumulation of goods and resources, as we have often seen "people leaders" do in Africa for example, the highest goal is collective well-being. Policies in favour of the most varied tech companies cannot be counted, and they have certainly helped to create a climate conducive to business growth. First of all, Dubai is the world leader in AI (Artificial Intelligence), robotics and Fintech (that is, financial technology). The city has created a system of incubators and accelerators so efficient that they can be compared to the most famous Silicon Valley. And on the other hand, **Dubai Silicon Oasis Authority** was created, one of the most advanced areas in the world, where support is provided to the most innovative sectors of the moment, especially with regard to blockchain, in a transparent and safe environment.

It was also conveniently created a regulatory space to support this growth. This has led to experimentation and testing in a controlled environment, and to more streamlined manufacturing processes, especially if we think of Dubai's proximity to major Asian manufacturing centres (with a higher production speed). This field is moving very quickly and the results are already visible: the city has achieved a record of foreign direct investment and knowledge transfer, especially with regard to AI and robotics.

Moreover, the arrival of 5G will undoubtedly contribute to give a further boost to what is already one of the strengths of Dubai: the Internet of Things. The presence of interconnected devices is already a reality in many homes in the city, but it will soon become the norm, with further implementation of artificial intelligence in the most diverse fields, from transport to health, from water resources to education, so as to improve even more the quality of life which is, in fact, the real currency for those who invest or move to Dubai.

Finally, a "gem" for true innovation enthusiasts is also coming: the launch of a **"crypto valley" in the DMCC**, the Dubai Multi Commodities Centre. The intention is to create a space entirely dedicated to cryptography, blockchain and many related technologies, so as to further develop them. The ultimate goal of the government is to transfer at least 50% of transactions on a platform regulated by the blockchain, so as to definitively establish the role of the UAE as one of the most advanced economies in the world. Considering how much cryptocurrencies have been recently listed at, both financially and in terms of their reputation, also as far as the general opinion is concerned, this will be yet another strength in attracting additional investors who, just like me, strongly believe in the future of DeFi, that is to say, Decentralized Finance.

All this can only bring even more attention to the possibility of investing in this city from the real estate point of view, especially if we consider how this type of innovation can have an impact not only on people's lives, therefore attracting a whole new series of

residents, but also on the quality of individual properties, which are enriched with services and accessories (therefore values) never seen before.

Dubai also created numerous advantages for those who want to start a business and invest in this city. For years now, there have been real **Free Zones** (like the DMCC I mentioned earlier) that are absolutely suitable for this purpose: these are free trade areas established to facilitate foreign investment, where it is possible to open or relocate companies. Most of them are dedicated to one or more sectors of the economy. For example, Internet City, Media City, Production City, Science, Design and others allow companies to grow and integrate easily with global markets. There are also additional advantages, such as the allocation of offices and warehouses for the purpose and, last but not least, the application of a facilitated tax regime. All with the ultimate aim of attracting excellence that can then produce a profit.

Just to provide fuller information, there are 30 Free Zones in Dubai and 15 others in the UAE.

The government's intention to attract investors and thereby develop the economy is evident in Dubai Vision 2021, a draft of amendments based on a number of key pillars: education, environment, justice, health, society and competitiveness. In fact, this project fits in perfectly with everything I said in the previous chapter: it is the ability to see the future and to move accordingly that has made Dubai what it is today and that will allow it to evolve again, keeping himself at the head of many key sectors.

Real estate

And if all this is not enough to convince you, there are also to consider all the measures that the Government of Dubai planned precisely with regard to my beloved real estate.

First of all, the ROI and ROE, namely the Return on Investments and the Return on Equity, are excellent. If on the one

hand, the prices are among the lowest in terms of real estate, on the other hand, the yield is extremely high: on average amounts to 7-8%, up to even extremes of 9-10%. The main reason for that is that the price per square metre is low, at least half of the world's major capitals, while rents are in line with the rest of Europe, as we will see in detail. In other words, to make a comparison with the nearest cities, the gross rental yield, that is to say, the gross income that can be derived from rents, for an apartment in the centre is three times what you could get from an apartment in London or Milan, and twice as much as in Miami.

Dubai also provides a Residence Visa right for anyone who chooses to invest at least one million Dirham, about 230,000 Euro, in a residential property. This is definitely a great incentive to think about making such investment since the possession of this kind of Visa guarantees a number of benefits which are certainly not indifferent. First of all, this way you can open a bank account and, after some time, get a loan, both personal and for specific purchases. You can also move freely in other countries without needing a special visa and have access to schools in Dubai, take your license and above all, by taking out a special insurance policy, have health care.

And even if you don't have the opportunity to invest that amount or don't want to invest in real estate, there is no problem: anyone opening a company, with a low cost, can require residency even without a national sponsor and still maintaining full ownership of their company, even in the mainland. Again, the intention is to attract both investors and international entrepreneurs who can make a real contribution to the country's economy, while being fascinated by the many facilities.

And in fact, Dubai grows thanks to "attraction".

Europe sets rules for rejecting or restricting those who arrive, in an attempt to protect themselves from people considered to be somehow dangerous precisely because of their attraction to that particular destination, and this depends on several factors, including the rule system. On the contrary, Dubai focuses on

creating the most favourable conditions possible so as to become a magnet, an attractive base for people with quality expectations and for companies that want to develop, especially in the Middle East.

Anyway, the feature that more than any other greatly facilitates working in real estate in Dubai is bureaucracy. **Real estate in Dubai** is certainly one of the most efficient markets in the Gulf area, and probably also in the rest of the world, and this largely depends on the fact that the rules and bureaucracy that regulate it are absolutely well structured and clear, usually for the benefit of the buyer. First of all, there is not even a notary (not in the sense that we mean in Italy), which is a fundamental element that in itself speeds up and greatly simplifies the process and reduces costs. The Italian joke of the certainty of the title of a property that must be checked and guaranteed does not hold at all in my opinion. I have great respect for the notaries I met (well, not just everyone), but as every professional category, they would better progress by repositioning the services they offer: in this way, instead of being a hindrance, they could actually add value to those who choose to use them.

In recent years, interesting specific measures have been introduced in Dubai's real estate field.

The most useful of all is probably the so-called “**escrow regulation**”. This rule mainly refers to the purchase of off-plan buildings, that is to say, those that are still under construction, so it has been particularly useful to me during my last projects. The procedure is actually quite simple: at the time of purchase, it is not necessary to pay the builder any deposit or down payment, because you entrust the money to an escrow account that has the sole purpose of protecting that money. Then, if the builder does not finish the job or fails, the investor does not lose anything and (sooner or later) recovers the money from the account. It is easy to understand how a rule of this kind constitutes fundamental protection against a deal that in itself could potentially lead to a huge loss (as unfortunately happened to many, even in Dubai).

Also, it is actually a great incentive, capable of attracting many more investors that are far away just as I was, who before these rules would never have dreamed of buying something under construction. In my opinion, this is an extraordinary instrument.

Another very useful measure is the “**rental cap**”. This time, the focus is all on rent revenues. In essence, prices per square metre are kept lower than in other cities: always to make a comparison with those that we now know well, the cost corresponds to half compared to Milan and a third of that of London. On the other hand, rents are very high, and they are practically similar to those in Milan and also in some areas of London. It is therefore clear that the final return on investment is very high. Precisely for this reason, a rental cap has been placed, namely a limit to the number of units within a community that can be rented, but also an interruption to possible sudden increases in rental costs, depending on the development of the real estate market. The ROI for the owners, however, remain very high.

In the world of rentals, the “**rental Increase calculator**” has been created, which winks at the new technologies. This tool comes into action when it is necessary to complete a negotiation between landlord and tenant, a process which in itself can be carried out without problems even with the traditional method, but which is greatly simplified by the introduction of the calculator, namely an algorithm. In fact, it happens that the rent cost changes over time according to the most different factors and that the landlord tries to indiscriminately increase prices to earn more or that the tenant tries to pay less accusing a disproportionate increase. It is precisely in these circumstances that the calculator comes into play, automatically measuring what is the maximum increase applicable to each individual tenant via the app, then trying to protect the weakest contractor (i.e. the tenant). The calculation is based on the value of the reference property, the location in which it is built and also on the general trends of the economy: it is therefore absolutely reliable precisely because entirely mathematical.

Finally, the last measure (and perhaps also the most innovative one) consists in the creation of a “**Rental Dispute Settlement Centre**”, that is to say, a centre in which to resolve all the eventual disputes regarding rent contracts. Whatever the disagreement that has been created, with a cost that can reach the equivalent of a maximum of 500 €, it is very likely that the problem will be solved in a period of 15 days. There are 12 different cases in which the owner is entitled to the evacuation of the property, such as the possibility that the tenant does not pay the rent or the demolition or maintenance of the tenant.

This Centre, however, not only guarantees the protection of the tenant but also of those who pay the rent, and in fact, it also includes a “tenant insurance”, so it is possible for him to be compensated in case he finds difficulties. It also lays down once again the criteria for increasing the rent by certain percentages.

For me, accustomed as I was to Italian bureaucracy, this was and still is science fiction. I could imagine the world as it will be in 20 years. I am still amazed by the speed and efficiency of the UAE administration, not to mention the fact that this kind of structure can only create a climate of reassurance, with clear rules that can give certainty.

And it does not end there. This Centre is constantly trying to improve itself and add possibilities to satisfy all its users. In particular, one of the best implementations of the last period is the so-called “Intelligent Judge”, an app that allows the parties to always monitor their legal position with respect to any open dispute. They shall also be provided with assistance with regard to behaviour and resolution steps. The opportunities provided by an application of this type are almost endless and involve in the first place a considerable saving in costs, time and effort. Moreover, the idea of using artificial intelligence to physically help people to achieve an almost total absence of conflicts or to solve them quickly aligns perfectly with the utopian principles that we have already discussed extensively. Once again, Dubai reconfirms itself as a city of the future, where everything seems to be possible.

In any case, this type of measure was in fact born as a result of what was a real tragedy within the real estate market and the economy of Dubai, namely the crisis of 2008. A few months after the financial crisis that had affected the whole world, problems finally arrived in Dubai, where companies suddenly found themselves in debt of billions of dollars with British and Asian banks, most of which have never been repaid.

Of course, a crisis of this magnitude greatly shook investors, especially considering that it was involving different fields, but in particular the financial one and consequently real estate. So many people lost so much money, mainly because there were no instruments like the ones I just described to protect the capital or the weakest part in the agreements. Partly we can call say they were unlucky: for the most part, however, those who lost had their analysis or the moment wrong, or worse, they improvised experts of DIY. It must be said, however, that many of those who complained of losses had actually made rather risky investments. Very often, the decision of consulting professionals in the field who live and work onsite, putting together their different opinions and commissioning an expert opinion can help to make informed decisions. I mean, doing it on your own is not necessarily a mistake, but the moment you choose that, the possibility of failure has to be taken into account because it is a part of the game. Those investors who had instead taken the time to analyse all the factors that could be relevant to the decision suffered some losses, of course, but much smaller ones. For that very reason, I find it rather inappropriate to complain too much at this point.

Apart from the reasons for the crisis, which I do not intend to dwell on because these are extremely complex issues which would probably require a separate volume devoted entirely to them, what I find really interesting is how Dubai has chosen to react to this situation: by rising up again and solving every single problem through rules that, year after year, the Dubai Land Department that oversees the real estate industry has introduced and strives to

improve. I find that this behaviour has been particularly inspiring, not only because it fits perfectly into that philosophy of trial and error which I am now fond of, but also because it has helped not only to raise Dubai but to make it jump directly into the first positions for this field: as the famous saying goes, rags to riches. It is also because of this decision to fill any gaps that the real estate field has not tragically suffered the imbalances caused by this year of pandemic, as it has been in many other countries of the world.

Another great reason to invest in Dubai is, as you may already know, taxation: or rather, the lack of taxation. This model mainly concerns real estate investments on residential buildings and does not place any limit on the money to be transferred outside the Arab Emirates themselves. Obviously, receiving rent and paying zero taxes is something that can only increase the ROI I mentioned earlier because it implies that the percentage obtained from a resale, as well as the profit derived from the leases, actually correspond to the profit, from which not a penny will be eliminated, at least until today. As a matter of fact, this makes Dubai one of the very few cities in the world where it is still possible to live of rents.

Here below I am inserting a method of mine to evaluate the ROE of my real estate investments, keeping a Buy & Hold position and taking the opportunity of rent revenue. This is one of my secrets, which I gladly share with you, investors, hoping to receive your suggestions and additions: please, send them to me.

For reasons of clarity, below you can also find the economic and financial results if you should decide to sell once you have finished paying the instalments provided by the payment plan of the manufacturer.

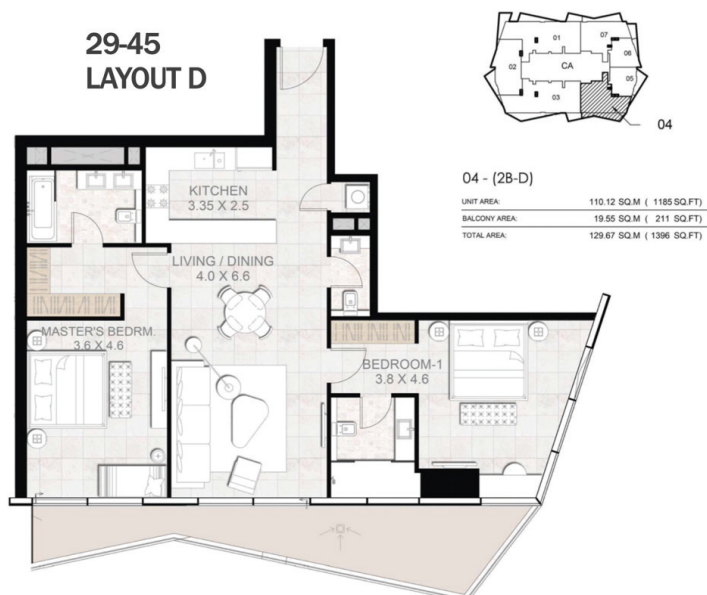
This below is not an example: it is my real investment, which refers to one of the 38 apartments that I bought off-plan in the STELLA MARIS TOWER in Dubai Marina.

We can agree that they are exceptional numbers if you think about the risk/return ratio.

They are net amounts for residents of the Emirates, but they remain very high and difficult to beat even for non-residents, who will have to pay the tax rates provided by their countries of residence.

[illegible]

This is the apartment I am talking about:



Here are the values in Euros, for a more immediate reading:

SALVATORE LEGGIERO's MATRIX*									
currency: EUR	0.220	CASHFLOW ANALYSIS & ROI ESTIMATION							
STELLA MARIS TOWER Dubai Marina		selling value	sqft	price x sqft	rental price/month	rental price/year	service charge	total service charge	
unit number		569,800	1,396	408	3,117	37,400	4.3	5,989	
40 04									
				On Handover					
Cash Expenditures	1st Payment	Apr-22	Jul-22	Jul-23	Jul-24	Jul-25	Jul-26		
Property payment	113,960	85,470	85,470	71,225	71,225	71,225	71,225		
	20.0%	15.0%	15.0%	12.5%	12.5%	12.5%	12.5%		
Cashflow									
Annual rent	0	0	37,400	37,400	37,400	37,400	37,400		
Service charges	0	0	5,989	5,989	5,989	5,989	5,989		
Brokerage fee for rental 5%	0	0	1,870	1,870	1,870	1,870	1,870		
Net Income	0	0	29,541	29,541	29,541	29,541	29,541		
Effective Payment	113,960	85,470	55,929	41,684	41,684	41,684	41,684	cash saved	discount
Effective Payment (cumulated)		199,430	255,359	297,043	338,727	380,410	422,094	147,706	-26%
ROI			11.6%	9.9%	8.7%	7.8%	7.0%	average ROI	effective price x sqft
								8.4%	302
			increased/decreased market value		selling price		ROI on sale	cash back	
	12.5%		71,225		641,025		51.9%	218,931	17.1%
Appreciation in SIX years	0%		0		569,800		35.0%	147,706	13.7%
	-12.5%		-71,225		498,575		18.1%	76,481	10.3%
* all right reserved									

Being provocative

In conclusion, last but not least, a reason that is also a little provocation to all my Italian friends: **the climate**. I'm doing very well in Dubai also with regard to the weather. It is true that living with one season does not help the same creativity that can be inspired by autumn or spring, and that here it is often very hot, but it is not at all an unmanageable situation. Every single building is air-conditioned (which is even too loud at times), and almost everything can be done even without necessarily being outdoors. Many important buildings in Downtown are connected to each other indoors and also by the Metro and the Dubai Mall. However, the days when it is really difficult to get out are very few: the only problematic days are those with wet heat, where it really seems to be in a Turkish bath and you cannot get out without finding your shirt completely soaked. But it is, in fact, only a few days.

However, it must be kept in mind that there are much worse climates to live in, such as in Luxembourg or elsewhere, especially because of the risks associated with the housing market. Think of Miami, for example, where tornadoes force evacuations and suck

or destroy entire buildings. Surely, such a phenomenon is bad for anyone to live, but it is even worse if the building that collapses is yours. From this point of view, Dubai is a certainty, since the climate is almost always identical to itself, in a perennial summer, more or less mild.

Do I miss the other seasons? Yes, sometimes I do. Italy gives us four wonderful and beautiful seasons, and also England, a country that now I consider as my own because it changed me forever, offers at least three really beautiful seasons: in London, I lived what I consider the most incredibly coloured autumns. And yet, I do not mind living in a warm place, because to me heat creates the effect of an eternal holiday. Even working seems lighter, almost as if I am not even trying.

And anyway, is this not a utopia, too: to live in an eternal summer?

To recap, what are, in my opinion, the main reasons why it is worth investing in Dubai, especially in real estate?

1. The very high quality of life.
2. Security and absence of crime and drugs.
3. A constantly growing gross domestic product.
4. A very stable currency, the Dirham.
5. A state-of-the-art judicial system.
6. A constantly growing tourism, which places Dubai among the first cities in the world as for the number of visitors.
7. Innovation and technology, which are also main points of interest at the government level.
8. An excellent ROI for real estate investments due to
 - a. Far lower PRICE PER SQUARE METRE than any other world capital,
 - b. RENTS similar to European ones
9. A clear, transparent and advantageous bureaucracy, thanks to the use of specific instruments that benefit all the parties involved.
10. An enviable climate.



CHAPTER 8

How to work with me

We have talked extensively about Dubai and all its merits, both personally and at work. So it's time to figure out how we can work together. I want to propose to you three different ways of working with me, based on your economic availability and your working intentions.

1. Enjoy your passive income (focus on the income)

The first solution I offer consists in renting an apartment. You can start with a minimum capital of only 15,000 Euros, and you can dedicate yourself exclusively to receiving a real passive income.

Basically, in addition to the investment, all you have to do is collect for 12 years, then take back the initial capital.

These are opportunities that are related to already rented properties: in our case, rented by me. You buy a property or a share of property not lower than 5%, so that we can be 20 members at most. From the day after the purchase of the property, you will get a net profit of 6% for 12 consecutive years, thus reaching a net 72%.

THIS IS A REAL PASSIVE INCOME, YOU WILL NOT HAVE TO DO ANYTHING FOR 12 YEARS. At the end

of this period, you will have the guarantee, secured by a specific policy of Lloyd of London, to fully regain the capital that you had invested at the time. It is a profit earned without doing anything at all. Ordinary and extraordinary maintenance, property tax or any vacancy periods are all covered by the tenant and do not affect your 6% annuity, which is paid in quarterly instalments. I must say that this exceptional investment method could not have been realized without the help of Mr Rashid Al Habtoor and the experience of Maurizio Winkler, his wife and their talented working group.

2. Buy a property (focus on the property)

A second alternative is to buy one of my apartments, so you can take advantage of a “buy and hold” dynamic.

Buy-and-Hold, or buy and maintain, is one of the most used strategies when investing in real estate. You can get a great value in buying and keeping real estate for years.

Buying and keeping in your wallet for a while is considered a long-term strategy. And what's safe in the long run is that properties, if properly selected and bought at a fair market price, appreciate in value. The same happens for any investment object. It is one of the most famous strategies used by Warren Buffet, which depends on the discretionary analysis of the company, the purchase of its shares and their retention in the portfolio for years. You should have a long-term vision to ally this method, because even in real estate prices can change in a moment, especially in some cities.

One of the biggest flaws of Dubai (as well as of Miami and some other cities, actually) is its tendency to produce large fluctuations in prices. And I'm referring both to the speed of increase and decrease, and to their intensity: in a few months, there can be very high peaks and abysses scary. For example, following the crisis of 2008, real estate prices became so high that even years later we have not



yet returned to the previous situation, they were “in the bubble”, as we use to say. And even after the pandemic, which accelerated the demand for villas on the sea in prestigious places, the prices on the Palm have grown at least 80%, if not even 100% in 6 months: a crazy growth, which could hardly have taken place in another city.

Even in this case, however, these fluctuations can be at least partly expected, thanks to careful analysis before investing. For example, on the water, it will certainly be less likely to record a sharp decrease, while the opposite can be said of the desert or of houses without any particular feature. And a beautiful property, both aesthetically and with respect to the quality of materials, will always be destined to maintain a certain value.

You will have to be prepared to endure ups and downs: these are part of the game. But fortunately, in the long run, the trend is towards positive values of appreciation.

In the real estate Buy-and-Hold approach, the focus of investors is ON THE ASSET. Therefore, the main parameters to consider are:

- location
- developer and constructor
- layout and design quality
- finishing touches
- presence of a famous brand
- price, of course, and
- payment plan.

Professional investors, such as insurance companies, often use their liquidity to make these investments, making little use of leverage.

When they buy to keep, privates often use an important part of their savings and thus transform the money, real or digital, into something tangible. A property has less

volatility and represents a defensive strategy in a period of inflation.

Even if your goal is to keep properties long enough to get a significant appreciation of their value, in the meantime you can rent the property and earn a regular income, you can personally enjoy that property or just leave it as it is.

My recommendation is always to create an income while the property appreciates in value.

Regarding this, you have probably seen in a previous chapter how it can be profitable to combine strategies and decide to Buy to Rent.

In conclusion, you have to keep in mind that you need a little more money to use this strategy. For this type of investment, you need a starting capital of at least 100,000 euros and it takes patience to wait before enjoying the benefits. But with increased value and rents, you can make serious money without taking any risks.

In particular, at the moment I am dealing with a building, Stella Maris, whose story I will tell shortly, in the next chapter: this is the main operation in which you can make investments pertaining to this second category with me.

3. Invest with me (focus on capital gain)

Let us say instead that I have completely won you over: you are totally convinced of my investment methods and you would like to be able to carry on business in the same way as I do and reaching the same type of profits.

In this case, the best choice is to invest with me in the next real estate trading transaction. For this operation, you will need a starting capital of at least 250,000 Euros. On the other hand, you will have the chance to gain much more advantageous profits. In addition, my role as a local partner allows you to always have someone on the field who really knows the area and understands where and how to invest



efficiently. You can trust me: if you lose, I lose, and if you gain, I gain.

Many of us keep in mind the image of someone buying a property at a discount, for example in an auction and its below market value, just to resell it without much effort: but this is not a scheme for a “quick enrichment”. The most critical factor in flipping is TIME because time means money.

Are you not convinced yet? Have you not yet understood well how I work?

Stella Maris’s example might answer some questions in the next chapter.



CHAPTER 9

My investment in Stella Maris

Once I had decided to stay in Dubai and invest in this city, the next step was to decide where to start. In the end, even after further research, I found that the most suitable place for me was exactly what I had always assumed: on the water. That is why I started my first great adventure in Dubai, although not the only one: Stella Maris.

You can find water in many places here: near the Creek, in Business Bay, in District One ... but the main reason why I chose Dubai Marina as an investment is the fact that practically all the other towers in the district have already been built and there is, therefore, no possibility of having more competition: there are almost no more plots (portions of land) available. The scarcity of offers, in any market, means that the demand will remain very high, while in other areas of Dubai (which are beautiful all the same) there are many towers still under construction and therefore plenty of new housing offers. I am sure everything will be sold, but competition in those districts may prevent prices from rising over time, especially for the secondary market, that of ready-to-deliver or used housing.

In Dubai Marina, there is a higher number of sales than every other district of Dubai, and a modern tower with luxury finishes

and services will certainly be required by many international buyers, who have become increasingly demanding.

I only had to choose the strategy to use to enter the market. In Italy I had chosen to use mainly a value-add positioning, therefore increasing the value of my properties, mainly by changing their intended use, by restructuring and by finding the right tenant. Whereas in London I dedicated myself to finance, the situation was certainly very different in Dubai. On the one hand, I had the opportunity to devote myself entirely to automatic income, that is to say, passive income: in short, rent revenues (I will talk about this later on). On the other hand, I could jump into something more complex, and even riskier.

Eventually, I decided to proceed with a trading strategy, to buy and sell, which in real estate jargon is called flipping. In short, it consists of buying wholesale a portfolio of several apartments and then reselling them. The building I had selected was Stella Maris, which is located in the heart of Dubai Marina, in the first row overlooking the sea, and is built on one of the last available plots. It is a project that includes a unique residential tower, a luxury product of 54 floors, of which 52 floors are to be used since the third and fourth floors host technical rooms. It is therefore a tower much higher than most of the others, which reach about 30 meters.

The construction of the tower was completed last July: just think that when I first arrived in Dubai in December only 16 floors had been built... The building directly overlooks the port and North Marina and the other side looks at JLT, the Persian Gulf and the desert. The view is fundamental to establish the value of the apartments. Of course, a sea view will have a greater value than that of the desert. Also, the more you go up the more the unit becomes expensive. You finally reach the two penthouses on the 50th floor, which occupy two floors each (duplex) and are therefore an exceptional product, especially for perceived luxury.

The apartments will be over 300 in total, served by six lifts with the addition of a service one. Each unit, of course, is created



with the best materials, and furniture proposals are also available to inspire individual homes. Now, I must say that my Italian origin was useful because I chose to include elements that belong to an aesthetic taste that is typical of my homeland.

And if all this is not enough, the development project provides that the residents of Stella Maris will have access to a number of quality services, including a gym among the largest and equipped in the area, a cinema room to enjoy their favourite movies with friends and a lounge to welcome guests. Even more, Stella Maris is directly connected with the Walk, the pedestrian promenade where you can walk, run, ride a bike, take the boat or walk to the Marina Mall. The front scenery is enlivened by the Ferris wheel of JBR in the background, the iconic Jewel Towers and the thousand lights of the Sparkle Towers.

After all, we are talking about a building that needs about 300 million euros to be built, given that in Dubai almost half of this amount is needed simply to buy the plot since you already know what will be built when you buy the land and there is already a construction license prepared.

I mean, Stella Maris was a building I was more than convinced to invest in. It responded to all the characteristics that I have always considered fundamental for an excellent quality product, which could ensure me great advantages as for the ROE, the return on equity. Now, I only had to get into business with them.

The negotiation

But how can you actually find such investments?

Usually, there are some agencies called “real estate property advisors”. They may advise the investor in such transactions. They do an absolutely complete job and offer a wide range of services, from studying the area to understand where to invest to analysing individual projects to understand which operation to choose. Then, they are the ones to make contact with the

developer or the constructor, thus acting as real intermediaries of the entire negotiation.

Therefore, at least in part, the agencies' work overlaps with mine. However, good consultants, who are experts and have been present in the area for years, are a valuable source of experience and information, and even when you have the experience you should not be too presumptuous. Listening to operators in this field is not only a good human experience but also an opportunity for professional deepening and comparison. It makes you more aware of your choices. I too, as a local partner for those who want to invest with me, study the area and try to understand where there are the best investment opportunities.

And on the other hand, I myself over the years have offered and still offer this kind of benefits. My historic Italian company, LEGGIERO Real Estate, exists now with the precise purpose of offering a service as a local partner in Italy for foreign investors, operating as an asset manager or advisor in this sense. And



even in Florida, which I frequently visit, I am part of a team of really good people, both personally and professionally. Federico Maria Ionta and Valerio Spinaci have been analysing the Florida market for years: they live and work in Miami, analysing the offers of the real estate market in this city and they help me a lot in catching the trends.

My intention here in Dubai is to become a point of reference for

international investors, keeping an investor's perspective (as I am one) and not as an intermediary: I co-invest with my partners and our club deal brings together the capital needed for specific investments.

I create the opportunity to invest and I follow it with my team, which works alongside the developer and deals with marketing the product, to create quality buildings. Another important step is the promotion of online sales and site visits, which I am also able to do.

Mind you, I do not charge consultancy fees, I do not get brokerage percentages, and my partners get into deals on the same terms as me. Generally, I ask for an "earn-out", that is to say, a higher remuneration than the odds I have in the club deal.

I would say that I am the first to try to accomplish a project like this in this wonderful city. And I am not even the only Italian. During the months I spent in Dubai, I got to know many of my fellow "compatriots", many of whom are very capable. Among investors who are just like me, I would like to mention Fabio Raffaelli, for his seriousness and experience. Among the many improvised consultants or those with conflicting interests, whom you have to beware, there are also really good ones, and here I would like to mention, in a random order, Sergio Alberti, Carlo Abbiati, Davide Francogallo, Monica Casale, Manuela Vaccarini, Mattia Grifalconi and Andrea Vento. But there are surely many others I have not had the chance to meet yet. Still, I have not yet met anyone who wants to do exactly what I do, that is to say, who is mainly an investor that talks to people similar to him to make a partnership, risking money together.

On the other hand, the commercial policy of many developers is to pay very high commissions that are not justified compared to the activities carried out by brokers: the buyer pays them since they are hidden in the price of the property. This is usually done to induce real estate agents and brokers to favour the sales of their properties. It is clear that this behaviour, even if it is accepted by brokers, can hardly create good businesses for buyers: it is always

very important to buy at the best possible price, also to defend against fluctuations in the market, and if you pay 10% more what hidden fee, it will take many years for the property to appreciate, provided that the market will be able to rise.

I would have much to add on misleading advertisements, as those towers under construction that promise unbridled luxury and those studio apartments starting at 100,000 euros.

I can say the same for the enchanting mermaids: I am referring to those offers of guaranteed income of 8 and even 10% that are provided in situations where it would be enough to make even just a couple of comparisons to understand that it is just marketing and a border-line “escamotage” to persuade buyers.

Be careful to distinguish between ROI and ROE, payment plans are also very important.

Among the parameters that I suggest you use before investing, try to know how much your advisor actually earns in fees and, to assess the seriousness of the developer's offers, check how quoted the rentals of similar properties are, to see if you will be at an extremely lower level as soon as the period of guaranteed income ends, being also weighted by service charges (condominium costs).

In conclusion, if a product is good who sells it does not need to grant discounts or overpay real estate agents to favour them: he just offers the best price to give an advantage to its customers.

As I have already explained in a previous chapter, I believe that the role of a broker or advisor is absolutely fundamental, but I, as a professional investor, also appreciate the chance of having direct communication with the counterpart, being that my partners or the developer whom I have to carry out a work program with. I must add that I have been a developer before, so it is a job I know very well. It goes without saying that not everyone accepts the kind of offer I want to work with, such as buying with the future. That is why when I close a deal I am very satisfied.

In the case of Stella Maris, I contacted the developer of the tower, Scope Investment, a very serious company based in Abu Dhabi. I sure was really lucky, because I found some very

reasonable and helpful people to deal with, even if the mentality is very rigid, compared to the flexibility of an Italian. In particular, I had the opportunity to interface with their main advisor, One Broker Group. But regardless of the names of the companies, I think it is more correct to mention the people I have dealt with most and who have been very supportive of me, because it is always the people who make history. I must therefore thank the company's Director, the Indian Mr Umar bin Farooq and his right-hand man, the English Daniel Page.

The beginning of our negotiation to invest in Stella Maris has always reminded me of the start of a joke: in that room, there were an Indian, an Englishman and a Neapolitan. Can you imagine who might have won? In this case, the stereotype had a foundation of truth.

Stella Maris was just the building next door to where we were meeting. For several days, we just talked, we tried to figure out what the other side was up to. Then I proceeded with my interview, to get all the information I needed to complete my personal rating scheme and then understand if it was the investment for me. Once it was established it was so, we moved on to negotiating the type of units, plans, advances and payment times: in short, every detail of our agreement.

The negotiation lasted only so long. Contrary to the stereotype that sees the Arab populations particularly inclined to negotiate, the reality is very different. A long negotiation is usually a symptom of a poor quality product. In fact, it happens only if the seller knows that the product is not good and therefore is willing to go down with the price in order to sell or if the customer thinks that it is not valid enough for that price and



therefore looks for a cost that is more in line with the perceived value. However, in this case, the product was very good and we all knew it, so the negotiation was very fast: in a sense, sometimes it is almost better to spend more, because it is kind of a guarantee.

Stella Maris was a completely off-plan project, so of course, I proceeded to purchase a portfolio of apartments even before they were actually built through some options. This allowed me to get a discount and would also lead me to earn a greater margin because, as the apartments are actually built, the developer increases the prices of its list: with that, my portfolio increases in value.

This business model of mine is particularly good because, if you do a timely analysis, accurate due diligence and choose the right time, the developer does all the hard work and time plays in your favour. So I booked 40 apartments, located on certain floors, selecting different types of housing according to different logical criteria. First, I tried to find a compromise regarding the relationship between price and size. Then I evaluated the view, the number of rooms in the apartment, the location of the living rooms, the presence and width of some balconies. I have also tried to keep in mind all those variables that are not always evaluated, such as the directions in which the sun rises and sets, for example: it may seem trivial but it can make a big difference when it comes to selling the unit. Finally, I also collected all the information related to the construction project.

However, there is a clarification to be made. If you are buying an apartment to live in it, of course, it will be better to choose the one with the best view, to really enjoy it. If, however, your intention is simply to make an investment and then resell the unit in the future or to rent it, then my advice is to buy the apartments at the corners, so as to still have a premium area regarding the view but remaining in a lower price range as for quality.

This is even truer if we think that the rent that can be obtained by offering the house for short periods remains substantially identical, so the ROI of an apartment that you paid a little less is higher. We can count on an 8% yield if we choose to achieve



this performance with a short-term rental strategy, as it is in an AIRBNB model, for example. Vice versa, with a long-term strategy (one year) we can still reach between 5 and 7%, having to support a much lower commitment, because it is a completely automatic revenue, especially since the rent is usually paid in advance throughout the year.

I have exclusively selected one- or two-bedroom apartments. There was no studio apartment available because it is not considered a luxury product and therefore it would not be in line with the positioning of the building. To be honest, it was a little bigger investment than I originally planned, but I am absolutely convinced that it was worth it, especially because it is a quality product, which therefore has an asset value that will remain, regardless of market fluctuations. When you own a quality building, you know that even if the market should fall its value would not decrease beyond a certain threshold. On the contrary, when the market rises the value can reach the stars. It is a truly optimal investment.

Risks and profits

So I made a payment agreement based on a 10% option. My choice was to resell the options (that is to say, the apartments), giving the option itself a value equal to the increase in the price that in the meantime the property would have had as a result of the construction that has progressed in that given period of time.

Let me repeat it: construction and time work for me.

Truth be told, in any investment, there are always risks. The risk involved in such an operation is quite clear: chances are that over time the value drops instead of rising, causing losses instead of gains. In this case, in addition to the profit from the option, the money initially invested would also be lost. Obviously, it is up to the investor to be able to choose which are the options that will be destined to increase price rather than to diminish irretrievably.

Here too, however, it is never possible to be 100% sure. There is always, for example, the “constructor risk”, that is to say, the possibility that the builder, for any reason, does not complete the work and then there is no apartment to resell. My advice, therefore, is to never take risks that you are not ready to manage.

That is why every week I am at the construction site of Stella Maris, to check if the work is proceeding as planned, and that is why it is essential to have a local partner who not only knows the market in that area and the businesses that work on the project but who can also be physically present on-site to check the progress of the work.

Usually, in a construction site like Stella Maris, about 120 to 130 people are working at the same time and every passage on different floors of the tower is very small, so all these builders, plumbers, electricians and carpenters must continually find ways to intertwine without hindering each other. This is even more difficult given that here in Dubai the construction work goes on 24 hours a day. In fact, one can build a floor every eight days. It is absolutely crazy if we think of construction rhythms we are used to: once again, we are faced with the typical science fiction of Dubai. In my opinion, this great efficiency is also due to a truly cutting-edge project management activity, which allows you to proceed quickly without anyone having any doubts about what to do and when to do it.

Anyway, I immediately started to sell my stock, officially entering into competition with the same developer I had concluded the deal with and I must say that it was not bad at all.

In the second part of the year, that is to July 2021 (almost yesterday), the tower has officially reached 50% of the construction. The times of creation of the tower were very fast, given that normally for a building of this type two or three years of work are necessary, also taking into account tests and technical difficulties. Once again, though, the team is key, and in this case, both the developer and the builder are extremely capable and experienced, and they can work in sync to ensure that while a



crane builds the planes horizontally there are already people who make the walls vertically: and this for miles and miles of walls, so it is a really ambitious goal.

This result of 50% is definitely a big milestone: it is at this percentage that you start to see how the building will become. That is why, when you reach this goal, here in Dubai prices automatically increase by an amount that can vary from 2 up to 8%.



This can be a big plus for investors like me. I found myself gradually having a portfolio of a considerably greater value. This means that my profit margin could still increase and I also had the opportunity to give discounts to customers to ensure the sale. So I chose to keep a price slightly lower than that of the developer, just to sell as many units in the shortest time possible.

And why is that? Well, here in Dubai, the more time passes, the more options increase in cost, plus that 10% paid at the beginning. In fact, it is necessary to start paying instalments of 5 or 10% for each option every three months (for example), or at least an extremely similar instalment depending on the type of agreement that is made at the start: all of this is part of the payment plan stipulated at the time of the agreement. This process can be considered a risk because it is always necessary to take into account the money that has actually been paid and the money that will have to be paid at fixed deadlines.

We must, however, consider that this money is not lost at all: it is just like paying something like a warehouse share. The operation is similar to the mortgage of a house: it is true that you spend money at regular intervals, but in the end, you actually get hold of a house. As it was predictable, at the moment this is taking a little more effort on my part and I have to run a little more towards sales just to try not to accumulate too many instalments of my options.

This type of instalment payment can in fact be considered both an advantage and a disadvantage. Keeping your units until you reach 50% of the construction allows you to be more competitive than the developer and then sell at a lower price, but at the same time paying more instalments also implies that the return on investment will be lower in percentage.

Let us take a practical example. Let us say (as it is actually my case) that you bought a property worth 80 million dirhams by paying 10%, that is to say, 8 million. If you can sell in a short time at the price of about 81 million, you get a profit margin of 1.25% on investment and 125% on invested capital!

What if you prefer to wait, or if you simply cannot sell in the short term? After six months, other 4 million are added to those 8 million initially paid because of the instalments, for a total of 12 million dirhams. It is therefore clear that, as much as you can manage to sell at a higher price in the future, you will have to keep that money available (and then frozen) and the ROE could fall.

Precisely for this reason, in my case, the final return on investment will depend largely on the speed at which I will be able to sell the rest of the stock. In particular, to make a really significant profit I hope to sell all my options by the end of the Expo, that is to say, by the end of March 2022.

But then, is it better to sell sooner, when maybe the price is lower but you can use even less money, or later, managing to snatch a higher price - and having a greater amount of money back - but with greater financial commitment?

Of course, the answer to this question is not one and one only. Just like I said before, there is no recipe that magically allows you to achieve the best possible result. Here, your choice will depend mainly on the capital available for the investment, the objectives set by the investors of the club deal, but also and above all on your personal risk tolerance. In fact, today's sale may no longer exist tomorrow, and consequently, you must be able to keep your cool even in these circumstances.

My advice is: when you can get out, get out.

The kind of investment I am making right now might seem low-yield to many. To me, however, it seems that the return is very high, precisely because I do not risk almost anything and I can have certainties as for my return. Similarly, a lot of different towers are being built in Dubai right now, all with a different kind of return. Each investor can select the right tower for him on the basis of his own criteria, which will depend on the relationship between risk and profit that he is willing to take. There is no one method that is more correct than another.

The best advice I can give, of course, is to try to get out of the investment at a time when there is a good profit margin, without blindly insisting on a profit even greater than maybe there will never be. Of course, if a person has the absolute certainty of a particular future event that will allow him to earn even more, he is right to wait: it is however a totally subjective choice, which involves other risks, as it ultimately is for all investments.

Surely the situation is more complex if we are faced with a co-investment or a club deal. In these cases, the best choice is definitely to share all investment strategies from the beginning, so you can always be aligned with your partners. Deciding on the conditions under which the administrator can conclude a sale even before the beginning of the actual negotiation, for example, avoids meetings that are difficult to organize in a short time and discussions that may end in quarrels, which sometimes even lead to tragic consequences in which even lawyers must be involved.

In fact, at that point, the collaboration has already come to an end, because it is really unlikely that a third person, totally external to the company, can actually solve the problems that have been created between the partners when even they have not been able to make peace. I believe this is a fundamental point, and perhaps the greatest advice I can give: sharing objectives and taking a preventive decision on possible scenarios is a factor that is unfortunately often overlooked by those who enter into business. It is a bearing element, instead.

Regarding the problem of instalments, however, we must also take into account that Dubai, in some areas, offers you a great opportunity: the so-called “vendor loan”. It is in fact a deferral on payments granted by the builder, where he gives you the house but also waits four or five years to withdraw all the money that is due to him. It is definitely an important chance for a foreign investor, who can wait a few years before paying the money, and maybe even start collecting the rent and then use the money earned in that way to pay the builder. Usually, this loan is divided into 40-50% to be paid at first, while the remaining can be paid in subsequent years 1% instalments per month, for example.



As I said before, we must then keep in mind that in using the flipping strategy we have two helpers working for us. First of all, there is the developer, who keeps working and building even after you invested and went back home. And then there is the time factor: if you guessed the right moment, the price automatically rises by itself, even if you do absolutely nothing.

I have already said that I like to win easily: flipping is ideal. From this strategy, my favourite slogan was born: “I invest in real

estate because I make money even while I sleep". Now, someone could contradict me and say that this can also be achieved through investments in equities and currencies or cryptocurrencies, all of which involve an increment of value when the trend is bullish. This is definitely true, and yet I dare you to go to sleep leaving the position open: I would not close my eyes!

Real estate is different and allows a tranquillity that no other investment can guarantee. And on the other hand, why should one avoid pursuing a comfortable life, with some free time to dedicate to our loved ones and perhaps to other passions? After all, we have talked a lot about the quality of life, and time itself is also a fundamental component.

In my particular case, I managed to sell almost 50% of the stock with a margin of another 7 or 8 percentage points, which can be added to that 4% original discount, for a total of 12 gross points. The credit is certainly not all mine, and I absolutely do not want to misappropriate it. A good part of the applause goes also to some very good real estate agents who helped me and also to a market trend that is really rewarding Dubai. Probably this "fever" for Dubai depends mainly on the excellent way in which the pandemic was managed by the emirate, in addition to the fact that with the Expo large investments are expected, especially from abroad.

However, we must also take into account all the additional expenses that I have had to incur in recent months, such as the costs of marketing, promotion, relationships and brokers when there were some. Other not negligible costs are those to manage the relationships, including work lunches, dinners and cups of coffee. I have always been a strong supporter of human relationships and as much as we live on intelligent electronic devices and use social media to communicate, chatting with one another and saying goodbye with a handshake produces benefits both in business and in people's memories. It also costs to live and stay in Dubai. These are all significant values, especially with regard to brokers. Customer relations are also crucial and cover a

good portion of these expenses: if, for example, a buyer is visiting Dubai, he must be taken to dinner, the place must be of a certain level, and so on... Nevertheless, these costs are essential to the investment, as well as a fundamental part of my role as a local partner. Even more, these are the things that lead to emulation. A satisfied client brings not only a successful investment but also the fact that other possible investors will become aware of this opportunity through him.

So, let us try to redraft the accounts net of these additional expenses. Let us assume that all together they are 50% of the 800 thousand AED margin mentioned above, thus equal to 400 thousand AED. In this case, the net ROE will be “only” 62%. Does it seem little to you?

Let me explain it with a practical example. Let us say that a property has an effective value of 80 million dirhams (I always make this example because this was my investment in the Stella Maris building at the time I purchased the options). Through options, I paid 10%, so 8 million dirhams. Subsequently, there was an increase in value of about 12%, which corresponds to 9.6 million dirhams, for a total of 89.6 million. Given that I spent half of that 12%, which amounts to 4.8 million, for various ancillary expenses, I still have the remaining 4.8 million, which translates precisely to 60% of the 8 million dirhams that I had initially invested.

This is undoubtedly an operation with an unparalleled profit margin. No other investment, and I can sign off on that, can guarantee this same profit. Let us take for example the case of bitcoins, which lately seem to be the most popular assets in the investment world. Leaving aside the fact that in any case, it is not obvious for you to reach 60%, it is still an extremely volatile market, which can change at any time with fluctuations in value that are very difficult to predict. It has nothing in common with the physical stability of a property, which always remains something physical and tangible that is preserved and remains in your possession even if the investment should go wrong. On the

other hand, creating value is certainly the primary goal for anyone who wants to invest and is fundamental for every individual: the real estate field undoubtedly allows to do so safely.

What if it goes wrong?

But let us say that everything goes wrong and that you cannot sell all your properties: is it a tragedy?

Well, of course, it cannot be a good sign for flipping, which has resale in a short time as the main focus, but it certainly does not preclude the ability to change strategy. The easiest way is to make a profit out of the properties until you find a customer through the buy and hold technique I mentioned earlier. Of course, in this case, the ability to analyse the strengths and weaknesses of each investment becomes central.

Also, a co-investment is definitely a winning choice. The fact that more people are trying to understand all the elements that can play a role within the operation leads to having different points of view, which inevitably highlight a greater amount of detail.

On this theme, I find particularly interesting a rather innovative concept, which is that of “creative resonance”. The term is known in Italy mainly thanks to a book by Luciano De Crescenzo, “Ordine e disordine”, and it was immediately applied to the most diverse contexts. It is quite simple to understand what this expression refers to: it is almost a talking name. Resonance is that physical condition whereby, when an oscillating system is subjected to an external oscillation, it begins to oscillate at the same frequency. Creativity, as we all know, is the ability to find innovative and relevant solutions to a problem.

Creative resonance, then, is the all-human ability to interact with people who have similar goals to find optimal solutions to a problem, which are even better than those single individuals would have found individually. It sure sounds almost like science fiction! Still, it is completely true: people who collaborate develop

a sort of “collective intelligence” that is more functional than the intelligence of individuals.

Many large companies have already shown how this process can be widely exploited within the organizational dynamics to produce better results: first of all, the so-called “unicorns”, those large and innovative companies that have managed to grow so exponentially as to become a real phenomenon. Collaboration is, therefore, a fundamental aspect for the success of a project, and I find it a wonderful opportunity: I strongly believe that “working with” is always a value.

What to expect

Ultimately, then, what can you expect from an investment within Dubai real estate?

Firstly, you can buy quality products at the right price. By quality product I specifically mean a real estate product which is able to remain competitive even compared to those that will be built in the future, whose value can remain high and stable and which follows the capital appreciation, that is to say, which can also increase in value within its reference market.

Secondly, Dubai offers the possibility of obtaining automatic income like no other city: that is, income from properties that are already rented, in a very simple way. I refer in particular to the first proposal I mentioned in the previous chapter, which is directly dependent on rents.

Another element to keep in mind is the Expo that will be in Dubai soon. The event is expected to bring 20 million more visitors than the current average, which of course will also comprehend some investors that will probably be interested in real estate since it is one of the main markets of the city as of now. This can only lead to a substantial appreciation, and I expect that in general (regardless of the effect of the Expo) my stock can have an increase of 2-2,4% per annum.

This is certainly an excellent percentage, but it depends on a whole series of accessory factors that are typical of the city. For example, there are many people from India who want to move to Dubai, especially following the devastating effect of the pandemic in their home country. Some of the wealthiest Indians, who are less than 1% but still 40 million, are choosing to move to a place that has a higher quality of life, especially in healthcare, which is excellent in Dubai. And an identical process is also taking place in many other countries that have suffered the hardships of poor healthcare.

And finally, last but not least, the element that most of all led me to choose this wonderful city as my business base from here onwards: choosing to invest in Dubai, you are consciously choosing to invest in the future. I've talked a lot about science fiction, and about how Dubai seems to defy the rules imposed by the rest of the world, and that is just it. This city continues in its perpetual motion towards progress, trying more and more to reach that "perfect city" goal that I have fallen in love with since my first steps here.

That is why working and living in Dubai means participating in this dream and making it your own, sharing a vision that has made progress the keystone of happiness, in the sense of common well-being. It means having the courage to touch the sky with a tower and look beyond that horizon you could see while keeping your feet on the ground. It means, at the end of the day, trying to create the ideal city.

To recap, what has my current job with Stella Maris required and what can you expect from such an investment?

1. I chose to invest in Stella Maris.
2. I chose not to turn to real estate property advisors, given my experience, but to work on my own as a local partner and co-investor, interfacing directly with One Broker Group.
3. I decided to use the flipping strategy, knowing that in this way time and constructor would work to my advantage, allowing me to earn "even while I sleep".

4. I realized that there would be considerable risks, including the “constructor risk”, and I worked right away to try and limit them, for example presenting myself almost daily on the construction site to check work progresses.
5. The extremely fast construction times and the strategy implemented have allowed me to make a profit of 60% to date, which is crazy compared to many other types of investment.
6. Even if I could not sell all the apartments, I would still have some properties which I can use to implement a buy and hold strategy.
7. By investing in real estate in Dubai you can expect to buy a quality product at a fair price and to see its value grow, especially considering the Expo just around the corner. But most of all, you can expect to be part of an idea, of the future.





CHAPTER 10

A little more info

We have reached the end of this book. I really hope that what I have told you so far made you fall in love with Dubai and its real estate market at least half of what happened to me. It is definitely a magical city, which offers many opportunities, and I hope you will be interested in it.

However, it is also a complicated city, which can create many doubts in those who approach it for the first time. That is why I decided to add this chapter, to try and answer the most frequent questions I have been asked during the months I have spent here in Dubai.

Let us dive in!

Do any need to have millions to invest in Dubai?

Absolutely not. Given that everyone can freely choose how much to invest in different operations, especially based on their availability and their risk tolerance, it is not necessary to be millionaires to invest in Dubai and especially not to invest with me. I would say that you need, at the very least, a starting capital of 15.000 euros.

Which investment strategy do you usually choose?

I am usually choosing mainly among four kinds of strategy: let me briefly explain them.

I already showed the first strategy by taking the Stella Maris project as an example: it is called **flipping**. It is a strategy in which the focus is all about time, so our goal is to buy and then resell in the shortest time possible, creating a significant gain. On the one hand, this strategy allows you to have a good profit margin, on the other, it also requires some experience in choosing what to buy and a propensity to move quickly with marketing.

The second strategy is called **buy and hold**. Unlike flipping, here the focus is no longer on time but on properties. We no longer play on speed, but on building a stable heritage. The most representative example concerns, for example, the ownership of a family hotel. This property must certainly be preserved, because its value in terms of assets depends on the property itself, as well as on its revenues, and is, therefore, something lasting that will bear much more fruit over time.

Then we have the strategy of **passive income**, that is to say, of earning from rents. In this case, the focus is on income, which is practically the only element that the investor has to deal with. In Dubai, rents are particularly advantageous: they can sometimes even exceed 10%. With this method, you can get guaranteed capital and income, particularly of 6% for 12 years, equal to 72% and then take back the capital. In the latter case, the property also becomes less important, and a whole series of elements, which will have to be considered by the company that rents the property, can be overlooked.

The last strategy I choose to use is a **value add** one, which I applied especially to the Italian market. It is, in fact, the purchase of a property or land to then restructure or build it, and therefore it creates something new that was not there before. It certainly is the most entrepreneurial strategy that requires the highest level of skills. In this case, however, the focus is all on the added value that is created, both for the investor and for the community, as

well as for the entire planet: just for that, it is a strategy that can give great satisfaction.

I used every one of these strategies at different stages of my entrepreneurial and investor path, changing depending on the city I was in and the type of property I was working with. Many times I made sure to use more than one at the same time, to have better results and to diversify.

Which strategy is the best to use for real estate in Dubai?

Of course, there is no one-size-fits-all answer. The choice will depend primarily on two factors. Firstly, the investor's personality matters a lot. I will never grow tired of repeating it: every investment is a totally personal and subjective choice. Our (perceived) risk tolerance is a central theme on which depends almost everything of the investment.

The only advice I really feel I can give is this: use them all. A combination of the four strategies is absolutely an important option: it is also the one that I have chosen to pursue, and for several reasons.

First of all, trying to do different things is definitely an experience that enriches oneself and in any case, it leads to knowing many different contexts and many absolutely valid people, which can only be a plus in the whole experience. It also allows you to get to the heart of the real estate market, so as to know all its thousand facets. Finally, carrying out operations with different strategies also allows to diversify the risks present in the various areas, making this choice more prudent, even on a purely economic and financial level.

Where should I invest in Dubai?

As we said, for those who do not know it well Dubai is Wonderland, and this means that understanding where to invest is not easy at all. In reality, the choice largely depends on the

available capital and the type of property that you want to work with, but not only that. I have already discussed at length what my selection criteria are, so I shall not go further. However, I want to give some main guidelines.

In general, I do not recommend investing in already very inflated areas, where prices have already risen: there is little probability of further appreciation in the short term. Then, those who want to buy to hold should consider moving towards developing areas, where the demand for real estate could grow in value over a longer period, and that will also improve the landscape and quality of life. However, be careful: the growing supply could depress the prices of second-hand (resale) properties and new real estate products could make already completed ones age faster. If you want to invest and then sell the units, instead, I would, first of all, recommend you choose a more crowded area, with fewer quality products. It may be even better if it is also close to the sea. Secondly, I suggest you assess the total number of trades in that district during the last two to three years. Dubai Marina, for example, is definitely an area where you should invest a lot right now, but it certainly is not the only one.

So then, what taxes do I have to pay in Dubai?

The taxes that directly affect the real estate field are only a few. At the time of purchasing the property, it is necessary to pay a one-off cadastral tax, equivalent to 4% of the purchase price of the property, in addition to a small sum of Dh 1,050 for administrative costs, called Okood.

In some cases, it is said that the purchase tax, or a part of it, is paid by the developer: it is just advertising because the tax exists and must be paid.

For the record, in Abu Dhabi, the property tax corresponds to 2% of the value of the property.

It is a property tax, so this tax is paid on the day of the transfer of ownership to the DLD, namely the Dubai Land Department,

which has to deal with all issues related to real estate purchases also from the legal point of view. It kind of corresponds to a land registry office, so much so that it also has to register the actual ownership of the property.

Once the property tax has been paid, there are no other annual taxes of any kind, such as IMU or garbage tax. It should be known, however, that there are many other taxes which have to be paid, depending on consumption. For example, a tax similar to our VAT (although not entirely identical) has been added for some years on services, at a rate of 5%.

Then there are all those taxes that relate more generally to life in Dubai and the services that a resident can access. For example, there is a system similar to the Italian “Telepass”: every car that passes through the streets of Dubai pays a toll.

It should be said, however, that even if these “ancillary” taxes could be considered high compared to other cities, they are absolutely right compared to the services they allow to access, which are of the highest level. I would also like to add that those who consume the most are rightly more taxed, making this process also fairer. I find this to be yet another sign of the level of civilization reached by Dubai.

When I am buying in Dubai, do I have full ownership (freehold) or a long-term right (leasehold)?

Dubai was the first among the United Arab Emirates to allow foreigners and expats to own properties in designated areas or areas. In 2001, the Government of Dubai granted foreigners the right to own property on a leasehold basis, while the Decree for the purchase of property in Dubai on a freehold basis was approved in 2002.

Areas designated for foreign ownership of real estate are determined by the Sheikh of Dubai based on criteria and regulations issued over the years. Below is a list of the most

important areas in which a foreign investor can buy a property.

- The Palm Jumeirah
- The World Islands
- Downtown Dubai
- Old Town
- Burj Khalifa
- Business Bay
- Dubai Marina
- Emirates Hills
- Jumeirah Lakes Towers (JLT)
- Jumeirah Beach Residence (JBR)
- Discovery Gardens
- Arabian Ranches
- Midriff (specified plots)
- Dubai Investment Park (DIP)
- Falcon City
- Dubai Sports City
- Dubai Motor City
- International City
- Jumeirah Isl & Jumeirah Villae...

The difference between freehold and leasehold property in Dubai lies in the rights that are granted to the buyer. If someone buys a property on a leasehold basis, they will be granted property rights for a fixed period, which is a maximum of 99 years. However, they will not own the land on which the property is built; the final property of the land belongs to the owner still. If a freehold property is purchased instead, one has absolute ownership of the property and the land on which it is built; the property can then be sold, rented or occupied according to the owner's will.

Where can I buy a freehold property in Dubai?

Buyers and investors who are interested in freehold properties will have a wide range to choose from. Dubai's property areas host a variety of developments and projects, from individual apartments towers to communities of villas and townhouses.

Freehold properties are the most popular choice for foreign buyers and they are available in many of the most important districts of the emirate, including Dubai Marina, Downtown Dubai, JBR, The Meadows and The Springs. In recent years, historically not designated areas, such as Jumeirah, have also seen the development of some freehold projects, such as City Walk and La Mer, expanding choices for freehold buyers.

What happens if the ruler goes crazy overnight and take it all his properties back?

The United Arab Emirates are a federal, elective and absolute monarchy.

The United Arab Emirates is a federation of seven absolute monarchies: Abu Dhabi, Ajman, Dubai, Fujaira, Ras al-Khaima, Sharja and Umm al-Qaywayn. By convention, the Sovereign of Abu Dhabi is also President of the Federation and Head of State and the Sovereign of Dubai is Vice-president and Prime Minister.

Even if one of these sovereigns carried out a coup d'état (which would be directed against himself) and put himself in charge (which in reality he already is), to seize the property of others and own it (even though he is already very rich), he would give a fatal blow to his country, almost zeroing the value of what is already his.

Those who ask this question know nothing about the Emirates and the rulers' vision: they are mistaking Middle Eastern for African or Asian peoples.

Should I invest in Abu Dhabi, too?

Abu Dhabi is the official capital of the United Arab Emirates, so most of the strengths that I have been able to list about Dubai also apply to this city. It is certainly an excellent place for a great many investments, and here too we are faced with a city with huge financial resources, even greater than those of Dubai, which has almost no oil.

Compared to Dubai, it is also necessary to point out that the great domestic demand in Abu Dhabi is constantly increasing. This phenomenon is largely due to the value growth (and consequently in cost) of real estate in Dubai, which has led to some residents wanting to move. And in fact, this process involved a good part of the Middle East.

And there is more. Another very important aspect is the fact that in Abu Dhabi a law that has not yet spread to all the United Arab Emirates was recently approved: it provides additional facilities regarding the purchase in the real estate field. This law, in addition to making the purchase easier and easier to support, was also designed to reduce the impact of possible economic variables that return cyclically to the market. It is, therefore, an excellent incentive to invest.

In Abu Dhabi, there is a constant increase in interest in both affordable and luxury villas. Demand from buyers and tenants is high, resulting in higher prices.

Aldar Properties, probably the largest local developer, reported the rapid sell-out of newly launched Noya villas on the island of Yas, showing an appetite for high-quality and family-oriented homes in the emirate.

According to data released by Bayut, the main website dedicated to sales and rentals, in the first six months of 2021 real estate prices in Abu Dhabi increased between 4 and 9%. Potential investors in luxury apartments have turned to waterfront communities such as Al Reem Island and Al Raha Beach, while Saadiyat Island and Yas Island remain popular among premium villas.



Consumers wishing to own smaller properties preferred freehold suburbs for their apartments, such as Masdar City, Al Reef and Al Ghadeer. As for the most affordable villas for sale, Al Reef, Shakhbout City and Hydra Village remain the most popular options.

In the rental market of Abu Dhabi, apartments experienced slight price decreases of up to 7 per cent in the first half of 2021. On the other hand, rental prices for villa properties have risen between 2 and 18 per cent.

Suburban communities and older districts such as Khalifa City A and Al Khalidiyah dominated the affordable apartments market, while Mohammed Bin Zayed City remained the favourite for those who are looking to rent family villas at reasonable prices.

Saadiyat Island is the first choice for luxury villa sales in Abu Dhabi. There, the average price per square metre for villas saw an increase of about 7% in the first half of 2021, which shows a constant demand for luxury beachfront properties in the capital.

The price per square metre for the homes of Al Raha Gardens increased, too, by 2.15%.

Reem Island has remained the most popular choice for high-end apartments in Abu Dhabi. Sales prices for apartments in Al Reem Island remained largely constant despite the pandemic.

Mohammed Bin Zayed City (MBZ) is still the choice for affordable villa rentals in Abu Dhabi.

What is happening in Saudi Arabia regarding real estate?

This is a question that many people are asking me, and the answer is very simple: Saudi Arabia is growing, and very quickly, too. Its choice to open the borders to tourism has led to many new investments and more to follow.

Among those who have been visiting it for a long time and talk me about it, there are a very good consultant, Tiziana Corradini, and her husband, Raffaele Umbriano, who is an international accountant. In addition to facilitating the arrival of Italians (and

others, too) in the Emirates, they have opened my eyes to the enormous potential of Ryad and Jeddah.

Dubai has certainly played a role as a beacon for many cities, to which it has shown the way to do well in real estate, in a qualitatively valid way. And it is also certain that a healthy competition has arisen between the two countries, which constantly challenge each other at the highest tower. I believe it to be a very positive competition because it brings progress, and I think that anything that brings progress can only be welcomed.

But to say that Saudi Arabia can overcome the very strong position of Dubai within the real estate field, now, borrowing a saying, some water has still to pass under the bridge. Surely, within twenty years Saudi Arabia will be able to achieve wonderful things, even up to those of Dubai or perhaps better, thanks to the availability of new materials, techniques and technologies. But twenty years will have passed, and where will Dubai be in twenty years? What will it have achieved, considering the pace at which it is proceeding now? In just fifty years Dubai has been able to transform from a small oasis in the desert to a huge futuristic city. From September, among other things, the first taxis without a driver will start to circulate: we can expect great things in the future.

In short, I would say that, because of many cultural factors and because of the history of the country, Saudi Arabia will have to wait a few years and adopt a system of more modern social rules, before having an appeal that can compete with the current sovereigns of the real estate field.

The hotel industry, however, can be an important driver of growth and openness.





CHAPTER 11

Still having doubts?

Now that I have answered all the questions about investing in Dubai real estate I am most often asked, I hope there are no doubts left. Are you ready to invest with me or buy one of my properties? Or are you still wondering why you should choose to work with me?

Let me answer this last question, too.

I deeply believe in the idea that “working with”, that is to say, working together, is always a value. The ability to share projects is extremely motivating and offers the opportunity to compare and achieve better results than the individual would.

But it is not just that. If you want to invest internationally, it is essential to work with someone who is there, who is your local partner, in order to really understand the territory on which you are moving. And it must not be a right-hand man of yours, an appointee who does your “dirty work” in your place, but someone who first of all puts his money where he says you to put it, who lives and works in the area and who knows both the city and the people who live there, someone who deals exclusively with this kind of investments and therefore really knows what he is doing.

Sure, co-investing involves sharing profits, but it amplifies the potential to buy the best at the best price and it also significantly

reduces risks. This is definitely a key element to achieve a good profit. And then there is an emotional component, too, which is created by every interpersonal relationship you create when you do something together, taking on a challenge for the common interest.

Why should you work with me?

First of all, because in Dubai no one does what I do the way I do it. As I said before, there are many advisors and property research consultants here, some of whom are very good, but there is no Italian investor who wants to collaborate with people like him, putting his face and sharing burdens and honours.

In working with me, you can expect quick decision making and the possibility to invest in modern techniques, suited to this innovative city and a changing world.

Modernity and democratization are the two most important keywords of my business philosophy. Whether you want to buy from me or invest with me, you will always have the opportunity to keep up with the times and have a prominent role in the progress of a city.

Is this not enough for you?

Do you still have doubts or questions, and want to talk directly with me and my team?

Contact us now and let's get started!

If you want to deepen the themes in “*Mr Real Estate in Dubai - investing in real estate in the city of tomorrow*”, do not hesitate to arrange a free call directly with me.



AFTERWORD

What they say about me – my collaborators

“I’ve known Salvatore Leggiero for many years and he’s always had a great predisposition to improve real estate development operations with a ‘great BEAUTY’: under his direction, they acquired more prestige because of the refinement of all details! Great skills in Project Management, Business Strategy Due Diligence, Real Estate transactions. Highly qualified professional.”

Luisa Colella

“One word to describe Salvatore Leggiero: TOP ACHIEVER. His personal story is amazing and full of PASSION. Salvatore is highly results-driven, but also warm-hearted and humble... a man with sincere kindness in his manners and truly interested in helping people to build new standards of success. INTEGRITY is another core value I recognize in him. Be happy if you meet Sal on your journey, it’s going to be a very positive discovery.”

Robert Camero

“My experience with Salvatore was really memorable and enriching, his positive energy and mindset make you want to

push yourself beyond your limits in everything you do. I've learned more in my few weeks spent with Salvatore than I did in all my years of university. Thank you for the beautiful experience!"

Rachida Chafoui

"Salvatore: he has something more, an ability of assessment and action that I've never seen in any other businessman, he's neat, accurate and detail-oriented, he has that quality that can make the difference, insight. If I had to tell it in just a few words, I would say: a man with method and concreteness."

Fulvio Lardaro

"A friendly and affable person, an entrepreneur with a clear vision of the future and deep knowledge of the business mechanisms. I got to interview him on marketing and management issues and his vision was enlightening."

Alessandra Salimbene

"Salvatore is a very enterprising man, always smiling, intelligent, with very clear and defined goals. I worked with him and in his fascinating world, in which there is a lot to do. Sempre avanti! Bravo Salvatore!"

Gisella Famà

"I've only known Salvatore for 20 years. An Enlightened Entrepreneur, A Manager who cares about giving value to his collaborators and is practical during business, A True and Loyal Man."

Angelo Stefano Moro



“I’ve been following Salvatore for so many years. I have always appreciated his deep competence in his field, which he manages with ethics and transparency, and his great managerial ability in directing and following the numerous projects that he has always guided. The deals that he ‘uncovers’ and offers to his numerous customers have always proved successful and profitable: he ‘has an eye’, he has intuition. In short, the ability to be outward-looking is one of his most developed skills. It is the most important quality to find the right chances and opportunities. Its human and personal side is just as important: Salvatore is one of those people who enchant you with the story of their experience, he is an encyclopaedia of skills and it is a great pleasure to listen when he shares his story. His personal knowledge of the market and the dynamics of its evolution is his greatest asset! And he has always treasured it: for this reason, in his work, he is the best\.”

Tiziana Corradini

“Salvatore combines Neapolitan Genius, Berlusco-American Discipline and Functioning, Swiss Financial Precision and Vatican Confidentiality. If you had any doubts about His Foresight and TEUTONIC RELIABILITY: GO DEEP and you’ll find out that a MAN OF RESULT attracts the evil of Italy, which is ENVY, as my good uncle Francesco Cossiga used to say. Under the most Tendentious News, those who have entrepreneurial skills will find out that Salvatore has UNIQUE RESILIENCE AND SERIOUSNESS. Available for any Serious Results Discussion.”

Antonio Meloni

“I personally consider Salvatore as a professional in the real estate field and a manager of many proven abilities. During our long and positive acquaintance, I had the chance to ascertain an uninterrupted series of successes in the activities he carried out

as an entrepreneur. Now, his activity in real estate confirms his aptitudes with the aim of enhancing the architectural heritage of many Italian cities, using the best architects and the best restructuring services.”

Sergio Costa

“Salvatore is a long known friend whose business in Italy and America is highly reputed.”

Paul G. Finizio

“Salvatore is a professional with a capital P. In addition to having many experiences, skills and abilities, he’s also able to combine its human and relational aspect, which I now consider the best quality for a person. Salvatore is able to escort you on a path, albeit ‘difficult’ and challenging, from A to Z, thanks to his irony and great sympathy! It has the ability to make a business extremely effective, and sometimes to even open your eyes where it’s needed! Keep up the good work!”

Raffaella Iannaccone

“Salvatore is a great person, a great entrepreneur and a reference point. I admire his approach to people, his determination, his clarity and his competence. Always smiling and helpful to everyone. Thank you, Salvatore, for your value, I wish you so much happiness!”

Federico Arioli

“Salvatore isn’t just a great guy. His passion, skills and experience in real estate investments and club deals are simply outstanding. Amazing mentor!”

Stefano Pisoni



“Salvatore is one of the brightest and most talented people I’ve had the pleasure of working with and has an amazing ability to work. He is an accomplished businessman, a talented communicator and has a great depth of understanding of innovation and what it takes for organizations to create an environment that supports innovation. He is truly an amazing man.”

Matteo Lazzeri

THANK YOU!

If you have found “*Mr Real Estate in Dubai - investing in real estate in the city of tomorrow*” useful and interesting, I would really appreciate being able to read your review on Amazon.

Scan the **QRcode** below and share your feedback.

Salvatore



Let's stay in touch:



@salvatore_leggiero



@salvatoreleggiero

Dubai: the present and the future of real estate investments

When we talk about real estate investments, the city of Dubai represents one of the biggest opportunities on the market.

Who am I to say that?

I am Salvatore Leggiero, entrepreneur and real estate investor. My business consists in selecting the best real estate investment opportunities according to precise risk-return parameters, in organizing co-investment in club-deal, and in providing other investors with their proficiency in structures and taxation.

If there is one thing, I have learned living here in Dubai, is that you can make extremely lucrative real estate investments for a number of profits that I have decided to publish and to include in this book.

I will describe the main characteristics (at the political-economic level) of Dubai, and I will demolish all the false widespread myths, especially in Italy.

In particular, I will show you in detail all the reasons why Dubai is a great choice in the world of investment and real estate, and I will also guide you step by step to what is my biggest project at the moment, the tower called Stella Maris which is under construction at Dubai Marina.