



G.M. Message

Dear Colleagues,

I wish you good reading of this AREC newsletter edition. On behalf of the management I would like to thank everybody who contributed to the newsletters with special thanks to **Ms. Suha Al Jurf**, who has put in a distinguished time and efforts to them as an editor.

Thank you & best regards,

Rawaf I. Bourisli, Architect
General Manager

Inside...

- **AREC Operational News**
- **Regus Opening**
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- **IBIS Hotel Amman**
- **And more**





Operational News for the 3rd Quarter of 2011

By: Joe Weberhofer—Operations & Marketing Manager

The 3rd Quarter of 2011 was characterized by fresh leases in the residential, retail and office sector, in that order.

Some units that changed hands, such as Bldg.184 at Mahboula Camp 2, and units 1 & 2 at Star Mall 12, were never technically vacant, as they were leased to new tenants before the physical vacation of the former tenant, therefore the impact in revenues was limited.

The full list of new tenants during the 3rd Quarter of 2011, is composed as follows:

Property Name	Unit	Tenant
Shayma Tower	16F A (1)	Aslaa Gen. Trad. Co.
Shayma Tower	16F A (2)	Aslaa Gen. Trad. Co.
Shayma Tower	16F B (3)	Aslaa Gen. Trad. Co.
Shayma Tower	16F B (4)	Aslaa Gen. Trad. Co.
Mahboula 10 Bldgs.	Bldg. 184	ASMACS General Trading Co.
Mahboula 10 Bldgs.	Bldg. 182 Basement	ASMACS General Trading Co.
Sahari Mall	SH 101 BF	Swiss Le Gourmet Sweet & Pastries
Omniya Centre	23 M1	Osama Faleh Hamdan Al Adwani
Omniya Centre	36 M2	Talal Farouq Hussain Al Yahya
Maha Centre	Mezzanine	La Cachette Secrets
Star Mall 12	1 & 3 G	Fahad Naser Salem Al Ajmi

From a property point of view, and type of leases, the profile of 3Q-2011 was as follows:

Property	Type	Area
Shayma Tower	Office Space	66.572
Shayma Tower	Office Space	70.408
Shayma Tower	Office Space	76.176
Shayma Tower	Office Space	67.844
Mahboula 10 Bldgs.	Residential	2,038.50
Mahboula 10 Bldgs.	Residential	700.00
Sahari Mall	Retail	62.00
Omniya Centre	Retail	70.80
Omniya Centre	Retail	67.20
Maha Centre	Retail	875.00
Star Mall 12	Retail	100



The most dynamic property during this quarter was Mahboula Camp 2 in the residential sector, representing 65% of all new leases from an area point of view, through the leasing of Bldg.184 and Basement 182 @ Mahboula Camp 2.



Type of Leases	Total Area	
Residential	2,738.50	65%
Retail	1,174.77	28%
Office Space	281	7%

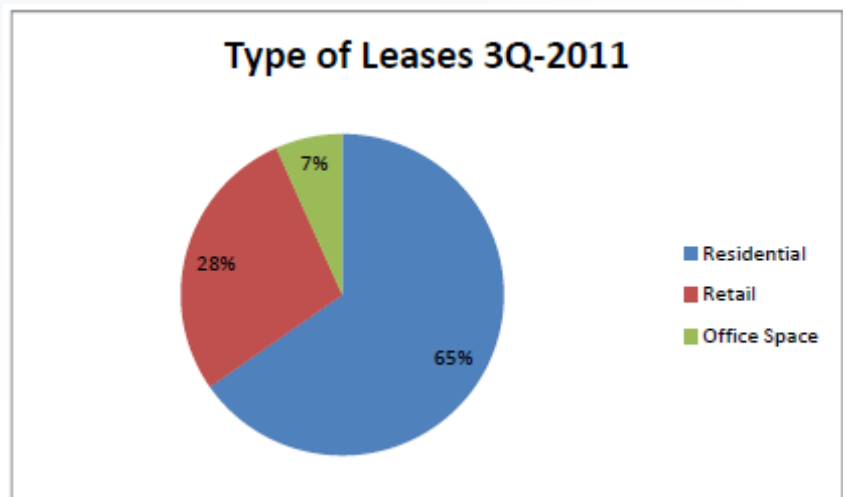
In second order of activity, Maha Centre recorded 28% of all new leases from an area point of view, through the leasing of the mezzanine floor to a famous chocolatier retailer who is in the process of developing a retail and wholesale chocolate business from Maha Centre.

Omniya Centre, Sahari Mall and Star Mall 12, were also properties in the retail sector that registered fresh leases.

Since in the previous quarter of 2Q-2011 the Office Segment was the most dynamic, having the residential and retail sector take the top position during 3Q-2011 shows a healthy balance in our portfolio.

Other news worth mentioning is as follows:

1. Action Hotels Co. completed the fit out of Regus offices in Shayma Tower, and is due to kick-start business very shortly.
2. AREB tower in Bahrain was finally delivered in an official manner to AREC.
3. Excavation works started at Jahra 21 site.
4. Oxford Business Group (<http://www.oxfordbusinessgroup.com/>) has selected Operations Department of AREC to gather real estate market information, opinions and trends in Kuwait for the publication of their next Real Estate Business Intelligence Report for 2012, and we feel very proud of this international recognition.





Opening of Regus Offices @ Shayma Tower

The proposed project is set-up as corporate business center, managed and branded by Regus International under the Regus core Brand in Shayma Tower, located in Kuwait`s downtown area.

The center itself occupies 5 floors of Shayma Tower, from 10th to 14th, accommodating office space and meeting rooms with the nicely designed break out space as well. The design itself was following Regus brand standards and it was developed in house, consisting of an appealing contemporary atmosphere and light wood finishes which will attract the future Clientele. The Construction work was awarded to Berthin General Trading and Contracting Co, who started the works on April 7th and finished in the first week of August 2011, after which the delivery of the procured items took place, along with the Operator`s involvement on the site. The procurement process was also done in house, where the furniture origins mainly from Germany as a standard Regus line of items from the company K&N, and there are also various items such as carpet and art works, which origin varies from different European countries.

The center was opened on October 2 , 2011.

We wish Regus team a successful business for the future.





*** Closer Look from Inside ...**





ANNUAL GHABKA OF ACTION GROUP HOLDING RAMADAN 2011

During Ramadan Holy Month 2011, and under the patronage of H.E sheikh Mubarak Al Sabah; Action Group Holding had organized a charming "Ghabka Event" for all the subsidiaries staff on 18th of August 2011 **at Le Notre Restaurant.**



^ From Left: Mr. Zafar Ali, H.E Sheikh Mubarak Al Sabah, Eng. Rawaf Bourisli & Eng. Satya Prakash



Employees of all AGH companies:





Iftar Event for Orphans in Jordan – IBIS Amman

Ibis Hotel Amman had hosted a charity event for the children of Al-Hussein camp for orphans under the patronage of HRH Princess Sanaa Assem Ibn Naef, in cooperation with Women's Union.

During the holy month of Ramadan; IBIS hotel Amman had organized Iftar for the children, the atmosphere of the event was full of fun and joy which pleased the children.



Royal Highness Princess Sanaa Assem Ibn Naef & Mr. Yasser Baha (IBIS Amman GM) were meddiling the orphans

On their way...

IBIS Amman team greeting us in the occasion of Eid AL-Fitr 2011



We Wish you a Happy Eid



Profile of the Issue

For every issue of the newsletter, one of the most interesting profiles will be presented

*For this quarter; the profile of this issue is for **Eng. Maja Magdelinic***

Eng. Maja joined AREC in January 2007 and was tasked with various projects within the company portfolio. In November 2007, she joined the Engineering team on the Ibis Salmiya project at the very last stage of the construction phase, and participated in various challenging tasks during the handover process, which led to a successful hotel opening in April 2008. Shortly after, Eng. Maja was promoted to Technical Assistant to General Manager for Action Hotels Company, with a focus mainly on hotel projects. In her new capacity, Eng. Maja began work on finalizing three other Ibis hotels: Muscat, Amman and Sharq. Simultaneously, Eng. Maja was in charge of procurement activities related to all 3 hotels, and with a team of colleagues, successfully managed the complete procurement for all the properties. Ibis hotel in Amman and Muscat were opened in September 2009 and Ibis Sharq has been operational for one year.

As AHC and AREC spread their wings to new and exciting projects, Eng. Maja was also in charge of developing the first Regus business center in Kuwait which recently opened on the 20th of September and is located on 5 floors of Shayma Tower.

Currently, Eng. Maja's main duty is Design Management for the Holiday Inn Muscat, and Staybridge Suites in Ras Al Khaimah, which are the first hotel and serviced apartments in the AREC/AHC portfolio, in partnership with new operator, InterContinental Hotels Group.

During her career spanning 9 years as an Architect, Eng. Maja has been exposed to various experiences in the Architecture field ranging from Consultant; Contractor; Design Management; Procurement; Coordination; and finally Operations.

Answers:

1. secret
2. egg
3. your age
4. potato

Academic qualifications:

B.E. - Bachelor of Engineering of Architecture, Belgrade, Serbia

M.E. - Master of Science of Architecture, Belgrade, Serbia (2004)

Professional Membership and trainings:

Member of Kuwait Society of Engineers
Participated in training in Value Engineering Program
Undergone training in Project Management

Other Interests/Activities:

In her spare time Eng. Maja focuses on learning French and Arabic, and is a frequently practices yoga.





Kuwait annual inflation hits 11-month low in July

Source: www.gulfinthemedia.com , September 2011



Kuwait's annual inflation eased to an 11-month low of 4.6% in July 2011, and edged up only slightly from the month before on higher food and transport prices, data showed, and analysts said they expect price pressures to stay muted.

Inflation in the Gulf, the world's top oil-exporting region, is expected to creep higher this year on robust global commodity prices, a weak dollar and increased government spending following political turmoil across the Arab world.

In Kuwait, inflation had been hovering above 5% since reaching almost a two-year high of 6% in December 2010, though it subsided to 5.0% in June. On the month, consumer price growth slowed to 0.1% in July from 0.2% the previous month, data from the Gulf Arab country's Central Statistics Office showed.

"The July reading confirms a very benign inflationary situation, with prices essentially unchanged compared with June," said Liz Martins, senior Mena economist at HSBC in Dubai. "The August number could come in higher, thanks to the Ramadan effect, but the underlying picture is of very low level price growth," she said.

Food prices usually rise during the holy month of Ramadan, which ended in August, as families enjoy more elaborate evening meals after fasting during the daylight hours.

Kuwait has one of the highest annual inflation rates in the Gulf, second only to Saudi's 4.9% in July, although price growth remains well below a record high of 11.6% seen during an oil-fuelled boom in August 2008. Analysts polled by Reuters in June expected average inflation in the world's No 6 crude exporter to reach 5.1% in 2011 after 4.0% last year. In July, food costs, which account for 18% of Kuwait consumer expenses, rose by 0.2% on a monthly basis after a 0.6% drop in the previous month, the data also showed.

Transport and communication prices rose 0.1% month-on-month, cooling down from a 1.0% jump in June. Housing costs, which make up 27% of the basket, were unchanged for the fourth month in a row in July. "There is significant oversupply in housing in both the UAE and Qatar that is helping subdue inflation. But in Kuwait they don't have that kind of oversupply in the housing market," said Shady Shafer, senior economist at Standard Chartered in Dubai.

Kuwait's central bank governor was quoted in June as saying interest rates were at a suitable level, and a dinar peg to a basket of currencies was helping to curb inflation, mostly driven by rising import costs. Slowing global economic growth and sovereign debt problems in the euro zone are affecting bigger economies like Italy and Spain, while emerging markets are also struggling to contain inflation. "The main risk for Kuwait would be an exogenous factor which would be a double-dip recession that would subdue demand for oil," Shafer said.

The \$ 131bn economy of Kuwait, which abandoned its dollar peg in 2007 to rein in soaring inflation, is seen growing by 4.4% this year helped by robust crude prices and increased government spending after an estimated 3.0% growth in 2010.



***** From Borrowed Lens.... Kuwait City 2011 *****



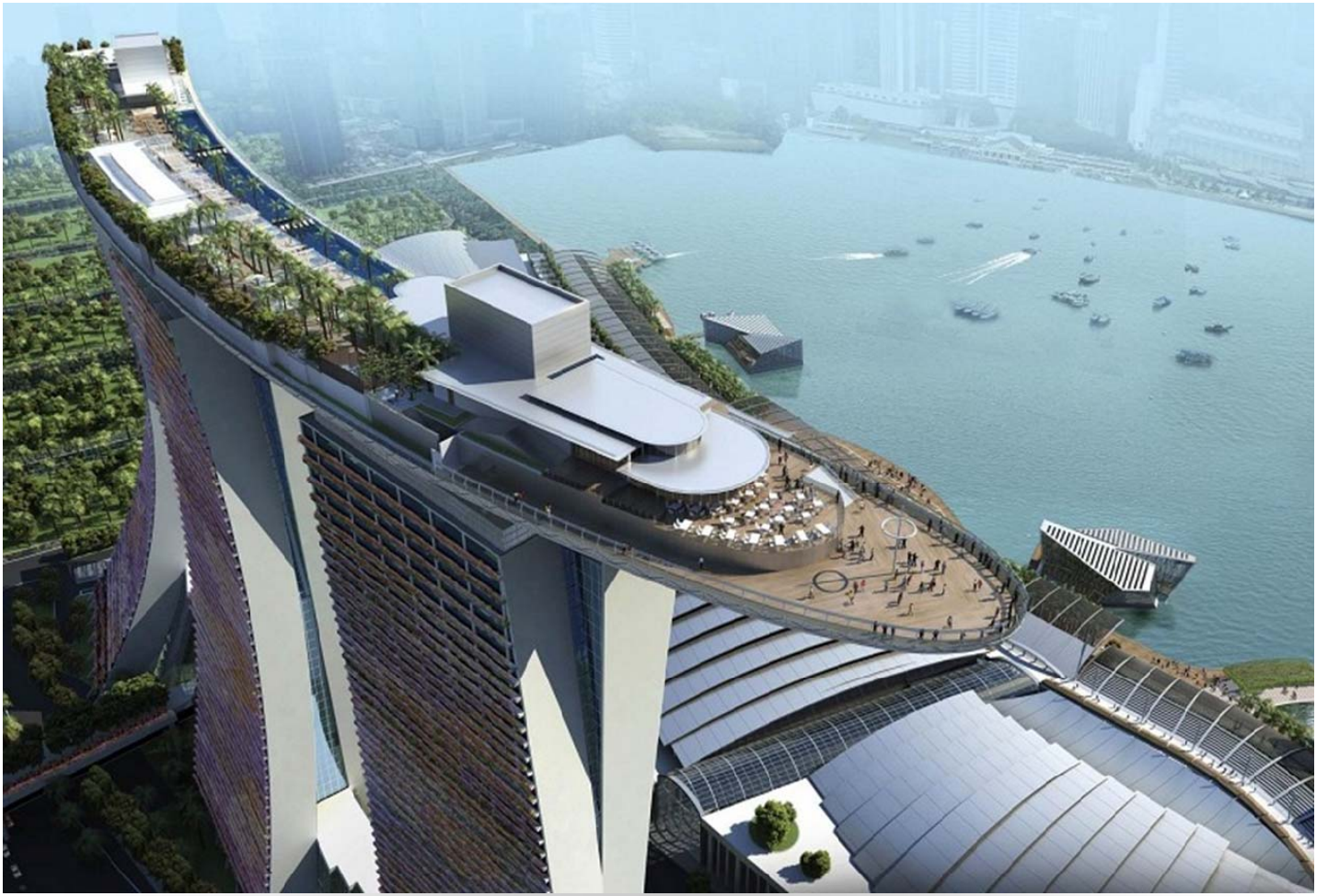


IT'S NOT A BOAT, IT'S NOT A PLANE... IT'S A BUILDING..



In Singapore, opened Sky Park June 24 in Singapore, opened a new wonder of the world. "Sky Park" Marina Bay Sands is located on the 200-meter height on the three skyscrapers, as if on three pillars. Here is the most expensive in the world of casinos, bars, restaurants, the largest outdoor swimming pool, 150 meters long and even the Museum of Modern Art.





© Reuters

ON BOARD.... 

We would like to welcome on board **Mr. Rajat Sawaria**, whom had joined **Action Group Holdings** as **Internal Audit Manager** since July 2011.

Mr. Sawaria is a CIA, CISA and CA and he has worked most recently as Audit and Compliance Manager with Alghanim Industries, and prior to that, he was with M. H. Alshaya Co. He has a total of nine years of experience in similar profession.



We wish Mr. Rajat all success with Action Group Holdings.

 **EMPLOYEE OF QUARTER**

The EOQ award for the 3rd quarter of the year 2011 goes to Mr. Mohamed Mounir...



Mohamed is an Employee of IBIS Hotel – Kuwait since May 2007, in position of Visa/Liaison Officer

Eng. Rawaf Bourisli, General Manager of AREC had selected M. Mounir as Employee of Quarter and had justified this nomination as follow:

“Mohamed offers a distinguished performance, extraordinary team spirit, efficiency and accuracy “

Congratulations Mounir :)

ESSENCE OF LIFE 
BY MOIZ TAHER

What is tasteless yet very sweet?
Odorless but fragrant hard to beat
Has no color but really colorful
Yes It's WATER truly wonderful
Amazing properties water demonstrate
Remains liquid in normal state
Turns to ice at freezing spot
Evaporates in air at boiling point
Dearth of water brings troubles
During flood everything tumbles

Water is essence of life on earth
But when it stays within limit
It is one of the nature's marvels
Reason of life, food and survival
Allah's bounty comes in lump-sum
Somewhere it's Nile somewhere Zamzam
Every drop is valued & precious
Only source to clinch your thirst
Here is the message "DON'T WASTE IT"
In your heart "PLEASE PASTE IT"





SMILE ... IS OUR SLOGAN....

"The human race has only one really effective weapon, and that is laughter. The moment it arises, all our hard-nesses yield, all our irritations and resentments slip away and a sunny spirit takes their place." -- Mark Twain

Did you know that ...

1. The average pre-schooler laughs or smiles 400 times a day? Or that the number drops to only 15 times a day by the time people reach age 35?
2. People smile only 35 percent as much as they think they do?
3. Laughter releases endorphins, a chemical 10 times more powerful than the pain-relieving drug morphine, into the body with the same exhilarating effect as doing strenuous exercise?
4. Every time you have a good hearty laugh, you burn up 3 1/2 calories?
5. Laughing increases oxygen intake, thereby replenishing and invigorating cells? It also increases the pain threshold, boosts immunity, and relieves stress.

So this is a formal invitation for all of you to spread your smile and laugh all over the place, dust it off, and go for the gold... the golden sounds of someone enjoying himself or herself :)



Quotes of the Issue

"I have walked that long road to freedom. I have tried not to falter; I have made missteps along the way. But I have discovered the secret that after climbing a great hill, one only finds that there are more hills to climb. I have taken a moment here to rest, to steal a view of the glorious vista that surrounds me, to look back on the distance I have come. But I can rest only for a moment, for with freedom come responsibilities, and I dare not linger, for my long walk is not yet ended."

(Nelson Rolihlahla Mandela, born 1918, South African lawyer, statesman and 1993 Nobel Peace Prize winner, from Mandela's inspirational 1994 book, Long Walk to Freedom.)



* * * * *

"If you don't know what port you are sailing to, no wind is favorable."
Seneca 'The Younger

"The great use of life is to spend it for something that will outlast it."
William James

"If you don't create your reality, your reality will create you."
Lizzie West



To figure ... Pull the trigger.....

If you have it, you want to share it. If you share it, you don't have it. What is it?

What has to be broken before it can be used?

What goes up and never comes down?

A skin have I, more eyes than one. I can be very nice when I am done. What am I?

Search for the answers :)



October

Suha Aljurf	02/10
Osama M. Refaei	09/10
Reem Hussein	10/10
Nazir Salih	17/10
Abeer Al Huneidi	27/10
Gerico Ledesma	31/10

December

Hachem Awwad	02/12
Nuhad Al Sa'adi	02/12
Nimfa Liscabo	05/12
Maher Fayyad	25/12

November

Ahmed Al Shalan	15/11
Salim Halawy	20/11



Check it Out..

Visit AREC website of AREC

www.actionrealestateco.com



Managing Editor

Suha Al Jurf

Assistant HR Manager

For contributions;

Email us

suha@actionkuwait.com