

# THE AREC LETTER

Quarterly Newsletter issued by Action Real Estate Company (kscc)

Issue No. 4—July 2010



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- **And more .....**



## GM's Message ...

Dear Colleagues,

Summer season is already on doors; preparations for vacation is a high priority on our agendas..

I wish you all a happy vacation, make sure you enjoy to come back to work in a fresh spirit and energy.

Moreover, I would like to remind you that we have a sister company "**Lausanne Travel Agency**" which is specialized in organizing trip, hotels, tickets transportation and more....

Finally, for those whom are staying in Kuwait during summer; enjoy the work at AREC :)

Thank you & best regards,

**Rawaf I. Bourisli, Architect**



### Word of Condolence

*For whom who lost their beloved ones.....*

*Our prayers and thoughts are with you and your family during this difficult time.*

*May their souls rest in Peace*



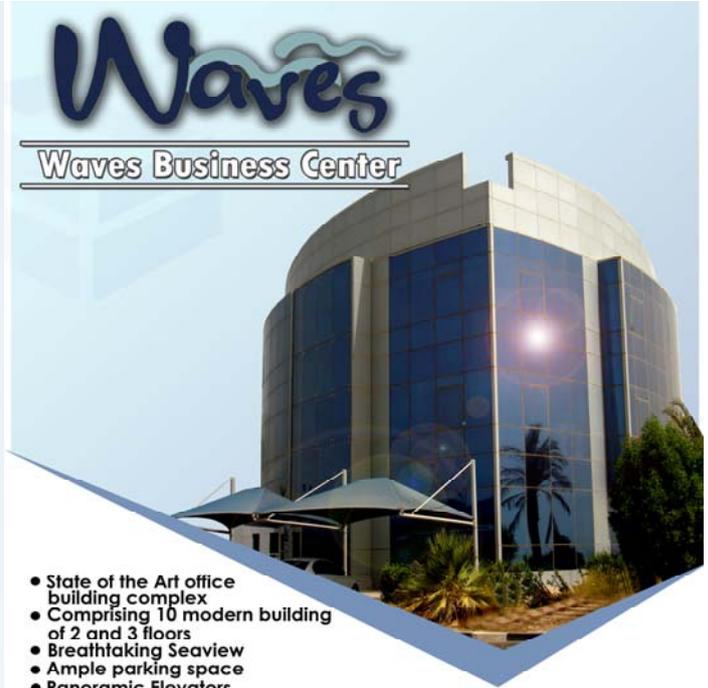
## Operational News for the 2<sup>nd</sup> Quarter of 2010

By: Joe Weberhofer, Operation & Marketing Dept.

Despite the number of tenants who have decided to cut on overheads, either by downsizing their leased premises or by simply moving out, we still managed to decrease the total vacant space by 13% when compared to previous quarter (Jan 2010 to Mar 2010).

In this context, the following list corresponds to new tenants who have moved in between 1st-Apr-10 and 30-June-10 as follows:

- Aaron Raj Leo Douglas
- Ali Fuzaa Hassoun Al Enizi
- Fonz Int'l Gen Trad Co. W.L.L.
- Mansour Khalaf Al Orf
- Sulaiman Abdel Aziz Sulaiman Al Rendy
- Ibtisam Khaled Mekhlef Al Lihaidy Sorour
- Sharifa Abudllah Hamad Al Nafisi
- GPS Gen Trad & Cont Co.
- K-med Company
- Hellmann Worldwide Logistics
- Muzna Dhaifallah Mohammad Al Harbi
- MZ Co. for Readymad Clothes, Shoes, Bags, Gifts & Accessories
- Ahmad Mohammad Mohammad Fadhlallah
- Maryland Cloud Café & Restaurant Co.
- AMG Limited Co. W.L.L.
- Nasser Ibrahim Nasser Bourisli
- Al Rai Logistica Co.
- Enkay Express Co. for Cargo Transport Co.
- Qassem Hasan Mohammad Dashti
- Noora Badi Athshan Al Enizi
- Al Majduie & Al Kazemi Cargo Transportation Co.



**Waves**  
Waves Business Center

- State of the Art office building complex
- Comprising 10 modern building of 2 and 3 floors
- Breathtaking Seaview
- Ample parking space
- Panoramic Elevators
- Security Services
- Cleaning Services (common area)
- Landscaping and Gardening
- Units from 100 to 600 sq.m.
- Competitive Prices
- Convenient grace period

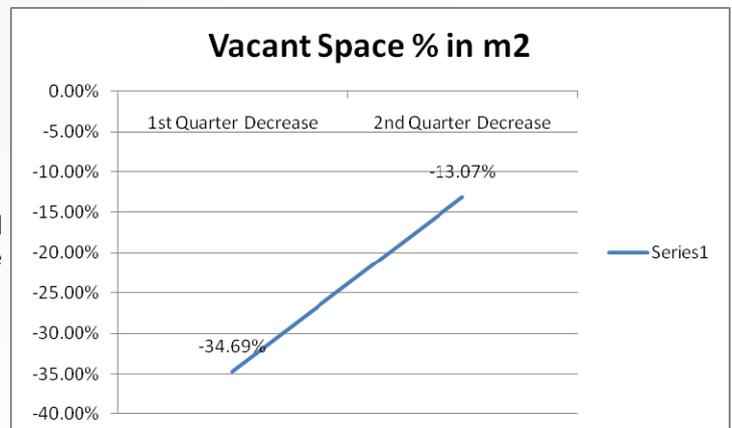
الشركة العميلة العقارية (ش.م.ك.م.)  
Action Real Estate Company  
97 99 6781 - 22 24 7540

Vacancy might find itself increasing temporarily if an important tenant decides to vacate, but the long term trend will always decrease following the logic that land available for development is a limited resource (supply).

### Vacant Space in % of m2

1st Quarter Decrease	-34.69%	(Jan10 to Mar10)
2nd Quarter Decrease	-13.07%	(Apr10 to June10)

There is no doubt that the rate of decrease has slowed down considerably, though we are happy to affirm that the trend is still positive as Vacancy continues decreasing.





## Sister Company Profile - BRONZIA PROJECTS Co.

**B**ronzia is a trusted name in electromechanical and instrumentation contracting with an enviable expertise in project management and execution. We primarily cater to industrial and commercial projects with a strong client base in Kuwait as well as in the Middle East. The company has grown to become a pioneering LSTK Contractor, delivering a wide spectrum of services in the Region.

### Areas of core competence

- Electrical
- Instrumentation
- Piping
- Fabrication
- Sand Blasting and Painting
- Plant erection
- HVAC
- Plumbing and fire fighting
- Smart building technology
- Facility Management
- Environmental Services
- Detailed engineering
- Plant Shut Down services & Debottlenecking
- Integrated Maintenance

### Some of the Major Projects of Bronzia

- Mina Az Zour Power Station (MPS)



- Emergency Peak Power Plant Shuwaikh



### One of the Current projects of Bronzia:

**Sara Al Sabha Resort, Fintas , Electrical Services**



## KMIX News

**K**MIX had signed a contract with value of KD 1,000,000 with **Al Hany Company**; for the project Bayan Palace Conference Hall; the capacity o host 1,200 people and all support facilities.

KMIX will supply quantity of 30,000 m3 ready-mix concrete, the project shall start on June 2010 to Dec 2011.





## InterContinental Hotels Group's Holiday Inn moves into Seeb

Kuwait's Action Hotels and Oman's Al Rawahi International secure contracting agreement; second property in capital for Action as Oman features in development plan

**Sultanate of Oman May 2010:** Muscat's busy airport and business district, Seeb will be home to a new 176-room Holiday Inn hotel next year, according to **His Excellency Sheikh Mubarak Abdullah Al Mubarak Al Sabah**, chairman, Action Hotels Company.

He said that the Holiday Inn Seeb Muscat is on track to open in December (2011) following the securing of the contracting agreement with Muscat-based Al Rawahi International.

"Oman is committed to developing the hospitality sector and Action Hotels is equally as committed to playing a role in this development with a fixed eye on the mid-scale segment," Sheikh Mubarak said.

He said that with a vision for three hotels in Oman, Action Hotels is currently one of the leading regional investors in the Sultanate. "Oman is an important destination in our region-wide expansion programme," he stated.

By 2012, the **Action Hotels** will add more than 2,000 mid-scale rooms across key Middle East gateways, three of which will fly InterContinental Hotels Group (IHG) flags comprising one Staybridge property and two Holiday Inn hotels. Holiday Inn is the leading midscale hotel brand of IHG, the world's largest hotel company by number of rooms. In 2007, IHG announced the US\$1 billion re-launch of Holiday Inn to ensure improved quality and consistency in more than 4,000 hotels worldwide by the end of 2010.

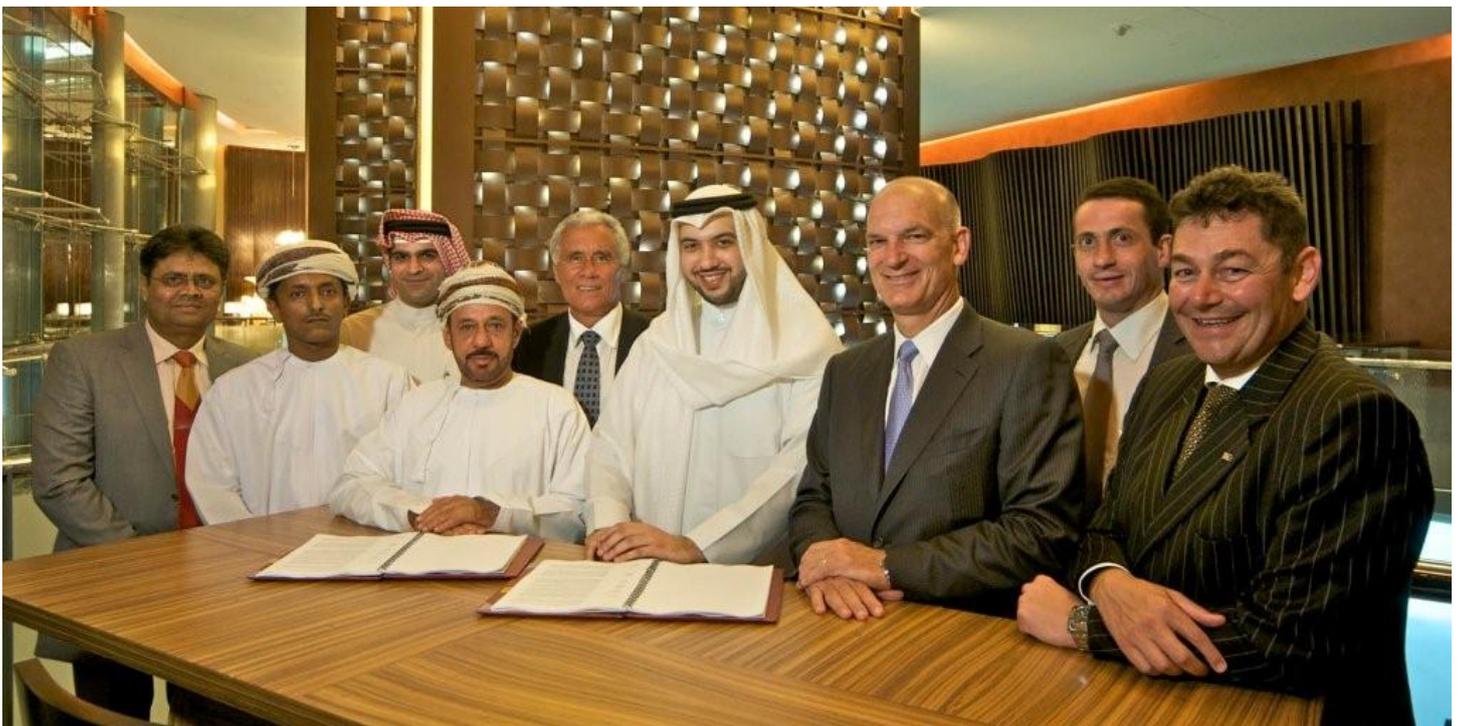
Al Rawahi's chairman, Sheikh Salim Said Hamed Al Rawahi confirmed that his team will deliver to the brand's evolved guidelines. "We are ready to deliver the Holiday Inn Seeb Muscat to meet Holiday Inn global brand guidelines in line with IHG's and His Excellency's vision," Mr Al Rawahi stated.

*Sheikh Mubarak* explained that the Seeb property will stand as an example of an Action Hotels development, which is focused on the generation of a global portfolio of landmark, mid-scale hotels that respect the global brand standards.

"The Holiday Inn Seeb Muscat represents another step in our frontier foray into the burgeoning midscale hotel sector pegged to lead global hospitality development by six percentage points," he said.

"IHG's Kirk Kinsell, president EMEA said that the group looks forward to further strengthening its partnership with Action Hotels through its third IHG-managed property, following on from the Holiday Inn Seef and the Staybridge Dana Tower in Bahrain. Sheikh Mubarak confirmed that both properties are scheduled to open in the Kingdom in 2012.

IHG opened its first hotel in Oman 33 years ago and since then we have continued to invest in the Sultanate, building on our rich heritage to become one of the leading hotel operators in the country.





**Photo caption:**

*Muscat-based Al Rawahi International will build the 180-room Holiday Inn Seeb Muscat for Action Hotels. Pictured from right: Kirk Kinsell, president EMEA, IHG; His Excellency Sheikh Mubarak Abdullah Al Mubarak Al Sabah, chairman, Action Hotels; Al Rawahi's chairman, Sheikh Salim Said Hamed Al Rawahi; John Bamsey, COO IHG MENA.*

Today we have six existing properties and three more hotels under development. These figures signify our continued investment in the growth and development of Oman's tourism sector and its position as a leading leisure destination.

"The Holiday Inn Seeb further extends our brand portfolio and illustrates our commitment to providing our business and leisure guests with more choice, convenience and value for money," Kinsell said.

"We are ahead of the race and the Holiday Inn Seeb Muscat sits perfectly in this lodging gap for business and leisure travellers who 'travel differently' and want a comfortable room and personable proactive service at true value rates.

"This property fits perfectly into our development criteria. We are looking to service niche corporate and tourism traffic in gateway locations within cities, specialist zones, and icon tourist destinations. The Holiday Inn Seeb Muscat will deliver all of these elements and more," Sheikh Mubarak concluded.

The Seeb property is located just a short drive from Seeb International Airport, and within minutes of what is consid-

ered to be some of Muscat's prime commercial and leisure areas.

Kuwait-based Action Hotels presently operates three properties in the region in the mid scale and also economy segment, in Al Khwair-Muscat, Amman-Jordan and Salmiya-Kuwait. The group's fourth property – and second in Kuwait, is scheduled to open in September (2010) in Sharq district.



## 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. Osama Refaei, PMC Manager (AREC) and General Manager Construction & Engineering (KDL)***

**As** Project Management and Control Manager of Action Real Estate Company (AREC), Eng. Osama Refaei is responsible for a vast number of hotel, retail, residential and office tower projects. In addition to his position as PMC Manager he is appointed and is currently a **General Manager for Construction and Engineering Division of Kuwait Dynamics Limited (KDL)**; a sister company of AREC where he is responsible for all technical & contractual issues related to construction and engineering from the design stage to hand-over; planning and scheduling; pricing and estimations; and contract management.



During his career and prior to joining AREC, Eng. Osama dealt with international contractors and consulting offices, supervised numerous projects and worked on various high-profile and VIP projects in Kuwait and the GCC region, Lebanon and Jordan.

### **Academic Qualifications**

Bachelor of Architectural Engineering - June 1986  
Cairo University, Egypt

### **Professional Memberships & Affiliations**

- Kuwait Society of Engineers
- Egyptian Engineers Society (Planning Section)
- Egyptian Engineers Syndicate
- Egyptian Architects Society
- UAE Society of Engineers
- SAVE International (Associate Value Specialist – AVS)
- AAPM member (Project Management)
- Project Management Consultant (Kuwait Society of Engineers classification)
- Design Consultant (Egyptian Engineers Syndicate classification)

### **Seminars, Awards & Certificates**

**Conference Participation,** Kuwait Contractors Conference - 2010 (Kuwait)

**Certified International Project Manager,** American Academy of Project Management (AAPM) - 2008 (Kuwait)

### **Seminars, Awards & Certificates**

**Member of Organization Committee,** The Middle East Architecture Conference & Exposition - 2005 (Kuwait)

**EIA Studies Reviews,** ECO Environmental Consultant - 2005 (Kuwait)

**Code Compliance Seminar,** NFPA - 2005 (USA)

**The Annual Aluminum & Glass Conference,** HILAL Conferences & Exhibitions - 2004 (Dubai)

**Gulf Construction Overseas,** IPT/MEED - 2004 (Dubai)

**2<sup>nd</sup> Annual Collaborative,** PSMJ Resources, Inc. - 2004 (USA)

**Project Management Symposium**

**Value Engineering Training Workshop,** SAVE International & Kuwait University - 2003 (Kuwait)



### **Current Position**

**2006 to Date:** Project Management & Control Manager - Action Real Estate Company

**2009 to Date:** General Manager Construction & Engineering - Kuwait Dynamics Limited

### **Professional Experience**

**2003 to 2006:** Senior Project Manager / Senior Architect - KEO International Consultants - Kuwait

**1998 to 2003:** Project Manager / Senior Architect - KEO International Consultants - Kuwait

**1994 to 1998:** Senior Architect - KEO International Consultants - Kuwait

**1987 to 1994:** Architect - KEO International Consultants - Kuwait

**1986 to 1987:** Junior Architect - Egyptian Office for Architecture & Decoration- Cairo ,Egypt

**1985 to 1986 :** Junior Architect – undergraduate - Egyptian Office for Architecture & Decoration- Cairo, Egypt

**Hobbies :** Reading, Fishing & Sudoku

**SeaShell Julai'a Hotel & Resort welcomes you and provide Special Offer**



**Special Offer for the Month of July and August 2010.**  
**Between 1 July to 10 August 2010.**

Room-Chalet	One Night rate	3 Night (Weekends)	4 Night (Weekdays)	No. of guests
Deluxe Room	70 KD	195 KD	240 KD	2 Adults + 1 Child
Junior Suite	80 KD	240 KD	300 KD	2 Adults + 1 Child
Amber Chalet 1st. Fl.	85 KD	255 KD	320 KD	4 Adults + 2 Child
Amber Chalet Gr. Fl.	95 KD	285 KD	360 KD	4 Adults + 2 Child
Mahar Chalet 3 Rooms	120 KD	345 KD	440 KD	6 Adults + 3 Child
Murjan Chalet 3 Rooms – Pool View	135 KD	405 KD	520 KD	6 Adults + 3 Child
Jude Chalet 4 Rooms – Pool View	165 KD	480 KD	620 KD	8 Adults + 4 Child
Amwaj & Fayrouz Villas – Sea Side.	220 KD	630 KD	800 KD	8 Adults + 4 Child

- The above rates are inclusive of breakfast buffet & 15% Service Charges.
- 3 & 4 Nights Offer for Rooms including Breakfast Buffet, Lunch Meal & Dinner Buffet.
- 3 & 4 Nights Offer for Amber Chalets including 25% Discount on all Restaurants, Cafes & Jet Skies.

\*\*\*\*

**For Reservations: 23250003/4/7/8**

\*\*\*\*

SeaShell Julai'a Hotel & Resort

Julai'a - King Fahad Bin Abdul Aziz Highway (40) · Exit (245) · Tel: + (965) 22571164 · Fax: + (965) 22571165



Contributed by: Nimfa Liscabo, PMC

[www.oneminuteblog.com](http://www.oneminuteblog.com)

**I**f there are things that an employee should never tell his boss, there are also things that a **boss** must not say to his employees. As their boss, you have the power to create a loving and healthy workplace. You have to be tactful and must pay respect to your employees because they are the backbone of your company.

To avoid such, you must keep in mind the following:

- **“Isn’t your performance review coming up soon?”**

This statement is not only tacky and passive-aggressive, it’s ineffective as well. This is not the right way to motivate your employees. Give them a stake in the success of your company, show your employees you value them and let them know what they have to gain by doing a good job. And that’s how to motivate your people.

- **“I pay your salary. You have to do what I say.”**

Threats and power play doesn’t exist anymore. Don’t think of yourself as the lord or master just because you are paying them. You are their leader and your work is to inspire, teach, encourage and serve your employees. Set a good example, praise them in public, criticize in private, give credit where the credit is due, know how to delegate and most of all, respect your employees’ capabilities.

- **“We’ve always done this way.”**

This will crush your employee’s initiative. Who knows, he might have good ideas on how to improve and increase their productivity. You must encourage them to be innovative and must be rewarded for a job well done.

- **“I don’t want to listen to your complaints.”**

Whether you like it or not, hearing complaints from employees is part of your job. I know it’s annoying and painful but it will help you to know that there are things that need to be improved.

- **“You should work better.”**

When you want something to be done, you must give your employees the tools they need to do a good job, set a reasonable deadlines and offer help if needed. Have a clear instructions and must be understandable. Sometimes, employees make mistakes maybe because your instructions are vague.

- **“I was here on Saturday afternoon. Where were you?”**

If you don’t want to burn out your employees or destroy their morale,

then don’t say it, otherwise, you’ll get less productivity on the workplace. If you decided to work 24/7, it’s your call but your employees shouldn’t have to.

- **“We need to cut costs.”**

This is a good way to save money, however, you are redecorating your office. What you are doing is hypocritical and can be demoralizing. You have to be sensitive to other people’s feelings.





## Sport day of Action Group Holding companies



On 21 May 2010 at the Hunting and Equestrian club; AGH had organized a sport day for all AGH subsidiaries employees and families; the day activities included Basketball, volleyball, bowling, billiard and more.

The basketball match was a competition of four teams; Black Action, Blue Warriors, Bronzia Super 6 and Dynamic Team representing AREC, AGH, Bronzia and KDL , teams members were as follow:

First round was between Black Action & Bronzia Super 6 and the winner was Bronzia, second round was between Blue warriors & Dynamic Team and **the winner was Dynamic Team.**

**Eventually, the final winner was Dynamic Team with score 35**

**Black Action    Blue Warriors    Bronzia Super 6    Dynamic Team**

<i>Eng Rawaf</i>	<i>Remmy</i>	<i>Ashraf Francis</i>	<i>Abdul Ghafar Elganainy</i>
<i>Nafees</i>	<i>Cleavon</i>	<i>Habib Khan</i>	<i>Zahid UIHassan</i>
<i>George</i>	<i>Dania</i>	<i>Ahmed Asi</i>	<i>Mike Clark</i>
<i>Sophia</i>	<i>Loyed</i>	<i>Amith Babu</i>	<i>Perfekto Dumayes</i>
<i>Sandeep</i>	<i>Hala</i>	<i>Gaspar Crasto</i>	<i>Rafael Cameron</i>
<i>Hashem</i>	<i>Ameen</i>	<i>Abby Chandy</i>	<i>Aeron Constantino</i>

**Congratulations to the winners**



**KDL Team**



Sport Day Photos



# Fifth Graduation Commencement Ceremony – Dasman Model School 2009/2010

Teacher Faisal and one of the special needs students

**U**nder the patronage of His Excellency Sheikh Sabah Jaber Al Mubarak Al Sabah, the fifth graduation commencement ceremony of Dasman Model School for the year 2009/2010 had been held on 15<sup>th</sup> of June 2010 in al Raya Ballroom- JW Marriott.

The ceremony was sponsored by Action Group Holding Company and Abraj Company, Mr. Rawaf Bourisli was the official speaker as a board member of Dasman Model School.



Graduates of 2009- 2010

H.E. Sheikh Sabah Jaber Al Mubarak Al Sabah, Mr. Rawaf Bourisli, Mrs. Denis and one of the graduates

## Kuwait: Housing Help

12 May 2010

As the domestic economy starts to rebound from the impact of the global financial crisis, Kuwait's residential property market is starting to show signs of recovery. However, despite improving sentiment and market confidence, Kuwaiti developers and analysts cite a lack of access to land as a constraint on more rapid growth.

To alleviate pressure on borrowers and encourage lending, the Central Bank of Kuwait has cut interest rates dramatically during the economic downturn (with the discount rate having been reduced six times between October 2008 and February 2010 from 5.75 basis points to 2.5 basis points). Cheaper borrowing terms for housing purchases, combined with renewed consumer optimism from an announced government economic stimulus plan, have caused residential retail sales from January until March to soar by 130% on the same period a year earlier, according to figures released by N B K .

While residential property purchases are on the rise, there still remains a significant housing shortage in the country, in particular in the area of guaranteed public housing for Kuwaiti nationals, where there is still a waiting list in excess of 90,000 units.

In February 2008, laws no. 8 and 9 were passed restricting banks and investment holding companies from owning, mortgaging and trading in residential buildings and land. At the time, the rationale behind the move was to prevent housing prices from escalating to unaffordable levels based on perceived speculative behavior on the part of banks and investment firms. But according to most developers, the law has not served its intended purpose, mainly due to a lack of land being extended to the private developers and

inflexible laws limiting their overall participation. According to industry players, the government is not able to adequately develop the nation's housing requirements alone. And in turn, by limiting the private sector's role, demand is outpacing supply and housing prices remain disproportionately high.

Khalid Faisal Al Mutawa, the chairman and managing director for Dar Al Dhabi Holding, a Kuwaiti-based developer with projects across the Gulf, told OBG, "Some 95% of the land in Kuwait is held by the government, and the result is that, with little land to develop, housing prices have reached nearly the same level as one would find in Tokyo and London."

According to many of the property players OBG spoke with, a sensible solution would be to provide land concessions to the private sector for developing housing schemes, capping the price and enforcing minimum specifications at which they can sell units to end users. It would then be up to the developers bidding on these projects to generate an internal rate of return at the capped selling prices.

Abdulaziz Al Nafisi, the investment group head for Salhia, a leading up market Kuwaiti developer, told OBG, "The model, as it stands today, does not work. And it is a shame for the country as we have many capable Kuwaiti developers working with governments in other countries on public housing schemes."

Rawaf Bourisli, the general manager of Action Real Estate Company, echoed this sentiment. "The terms and conditions imposed are crippling private sector participation in residential housing. Without an allowance to mortgage the land, it is not feasible to borrow the entire project amount without huge upfront collateral. We know the law is currently being reviewed, and we hope it will be changed soon," he said.

In fact, earlier this year, Islamic finan-



cial institutions became exempt from the law and are now eligible to provide financing after a successful appeal lead by the country's largest Islamic bank, Kuwait Finance House.

In addition to the prospect of laws no. 8 and 9 being removed, further help to directly ease pressure on the residential segment could come in the form of increased government expenditure on public projects. Earlier this year, the Kuwaiti government received approval from parliament for a stimulus package that will entail an estimated KD30bn (\$103bn) of spending on mega-projects over the next five years. Included in the plan is a significant allocation towards the creation and development of new residential areas, with six new towns encompassing a total of 75,000 housing units being slotted.

Given Kuwait's pressing and immediate housing supply shortage, the planned new towns could prove pivotal in alleviating short-term affordability pressure by adding new supply onto the market. Longer term, however, with young demographics (37% of the population is between 15 and 29 years old) and in order to avoid a dependency on ad-hoc government projects, many believe that a mechanism must be sought to allow the private sector to become more involved in residential development.



*O God Change me for something better .....By: Moiz Ali Taher*

Why I interfere rather than co-operate	I greet people with broad smile	Egoism drives my thoughts and action
Why I enforce in place of convincing	Just to show-off nice character	Professionalism stays in back seat
Why I just look for other's faults	I ask about health and happiness	Although my conscious bites me often
Why I never go for self examining	But in reality I hardly bother	Changing habits is not so sweat
Often I argue for sake of argument	Sometimes I am not fair and rational	I wish to improve but tell me how to
I don't listen to other's opinion	I fail to tolerate small differences	Help me to get a quick makeover
Try to prove my biased judgment	I become impatient and annoyed	Give me patience but please hurry
I am slave of my own illusion	Regret after regaining senses	O God Change me for something better



*Let the Picture Speaks...  
By: Suha Al Jurf*





# Congratulations....

## *The Employee of the Quarter is .. Mr. Manzor Jaien*

The EOQ award for the 2<sup>nd</sup> quarter of 2010 goes to Mr. Manzor Jaien .

ance; therefore his nominations as an employee of the quarter is justified by all means “

Manzor is working in the Operations department as Operations Coordinator since 2007, his work experience in the administrative field had started in the 2001 until date.

*Mabrook Manzor :)*



Manzor’s supervisor and manager had justified their nomination to him as follow:

“ **Manzor is very efficient, professional and organized with his work duties and has an outstanding perform-**

To: Mr. Faisal Al-Qadiri (*Administration Manager*)

for the winning at the election

for Al-Khaldiya Co-op membership



# Congratulations

*To: Abdulaziz Karama*

*You are welcomed to live with us at the same planet*



**AREC family congratulate Hassan Karama for his new baby whom had born in May 6<sup>th</sup> ,2010**



## Quotes of the issue

**"Never interrupt your enemy when he is making a mistake."**

**Napoleon Bonaparte** (1769-1821) was a military and political leader of France and Emperor of the French as **Napoleon I**, whose actions shaped European politics in the early 19th century.



**"Perfection is achieved, not when there is nothing more to add, but when there is nothing left to take away."**

**Antoine de Saint Exupery** (29 June 1900—31 July 1944) was a French writer and aviator. He is best remembered for his novella "The Little Prince"



**Artists say:**

**"Don't stay in bed, unless you can make money in bed."**

*George Burns (1896-1996)*

**"Only some people get what they want. Those are the people who show up to get it."**

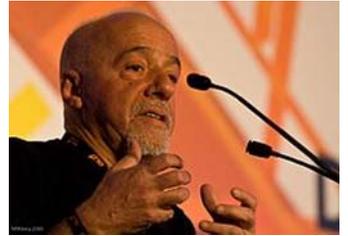
*Dianne Houston*

**"Common sense is instinct, and enough of it is genius."**

*Josh Billings*

**Avoiding problems you need to face is avoiding the life you need to live ..**

**Paulo Coelho** (born August 24, 1947) is a Brazilian lyricist and novelist.



## Managing Editor

**Suha Al Jurf**

For contributions;

Contact us

via email:

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July

Loulwah AlRefai	16/07
Moiz Ali Taher	20/07



August

Bilal Saleh	14/08
Wael Abd. El Aziz	28/08

September

Hassan Karama	1/09
Manzor Zaien	9/09
Naim Abu Sharkh	11/09
George Sarkis	12/09