

Warren Buffett's Residential Brokerage's Middle East Arm To Broker \$5B Properties Deal By IBC Group

The Middle East arm of billionaire Warren Buffett's residential brokerage firm Berkshire Hathaway HomeServices Gulf Properties (BHHS Real Estate Broker LLC Gulf Properties) might have just landed a major deal.

UAE-based IBC Group said that it intends to acquire 10,000 premier properties in Dubai to establish holiday homes using the brokerage services of BHHS Real Estate Broker LLC Gulf Properties. The deal is currently valued at \$5 billion, with a possible scale up to acquiring 1 million properties in over 100 cities across the globe.

IBC's deal comes as the emirate readies itself for Expo 2020 next year. Tapping into a sizeable potential for halal travel, IBC said that the properties to be acquired will be financed via a Sukuk to the tune of \$1 trillion.

"We believe in interfaith harmony and cater to all beliefs," says Khurram Shroff on behalf of IBC Group. "For the Muslim traveler, providing Sharia-compliant vacation homes with standardized Qibla direction and prayer mats in each of our apartments will enhance our offerings in this sector."

Shroff, who co-founded global short-term rental management firm, The Gallery Suites Vacation Rentals LLC, said that IBC's partnership is based on the strengths that each party brings to the table. IBC focuses on investing in art, real estate and proptech.

Its recent foray into the short-term rental market in the region underscores the potential in Dubai, which is seeing activity pick up in the short-term rental market. As of February this year, research by Knight Frank showed there were 20,395 properties listed as holiday homes, indicating that just 2% of all homes in the emirate are on the block for short-term rental.

But listings are growing. There has been a 161% growth in the listings of holiday homes since 2016, media reports quoting research indicates. These properties also net a higher average room rate than hotels due to the short duration that guests stay, making them ideal for investment.

<https://forbesmiddleeast.com/warren-buffetts-residential-brokerages-middle-east-arm-to-broker-5b-properties-deal-by-ibc-group>