
Slowdown signs -Uptown Bahrain project shelved indefinitely

Friday, 06 Nov, 2009

Construction Week reported that the USD 2.65 billion Uptown Bahrain development has been shelved indefinitely and may never be built according to a senior source at Fortune Investment House.

The proposed mega project was due to start construction in the Q1 of 2009 but there has since been no activity on site and no comment from the developer.

Mr Adil Chikhi FIH's head of private equity confirmed that the Uptown Bahrain office had closed and the project was on hold. It's purely an investment decision, it was a huge project and it just didn't stack up in the current market. He said that "We'll probably have another look at it in a year or so but there are no guarantees either way that the project will go ahead in the future. It all depends on market conditions."

The project was intended to become a new commercial and residential hub for Bahrain's Seef area with a total built up area of 780,385 square meter and three 75 storey towers.

Bahrain's property market has suffered a severe slump in sales since the onset of the economic downturn at the beginning of the year. Several large projects such as the USD 1 billion Samba Resort by Sama Dubai and the USD 450 million Seef Project by First Bahrain were also cancelled. Meanwhile many ongoing mega projects are said to have drastically slowed the pace of construction due to a lack of sales and liquidity.

(Sourced from Construction Week)

For more news visit at www.steelguru.com