Optimal Portfolio Allocation in the Middle East Real Estate Market: A Comparative Study of the UAE and Qatar

"Why could UAE or Qatar be an opportunity for European businesses and portfolio investors in the Middle East?"

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Abstract

This research compares the real estate markets of the United Arab Emirates (UAE) and Qatar, focusing on opportunities and challenges for European businesses and portfolio investors. The study integrates theoretical frameworks, empirical findings from interviews, and analysis of official reports. The theoretical insights highlight the importance of economic factors, cultural understanding, and risk management. The empirical findings reinforce these concepts, revealing varying risk tolerance levels among investors. The analysis indicates that the UAE offers more significant investment opportunities than Qatar due to sustained economic growth and infrastructure development. The research provides practical implications for investors and sets the foundation for future studies.

Keywords

Real estate market, UAE, Qatar, European investment, Market conditions, Cultural understanding, Geopolitical risks, Investment strategies
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1 Introduction

1.1 Background

The United Arab Emirates (UAE) and Qatar have recently emerged as key drivers of the Middle East's outstanding economic growth and development (World Bank, 2018). This rapid progress has caught the eye of foreign businesses and investors, particularly those hailing from Europe (Gallimore & Gray, 2002). Both the UAE and Qatar have contributed significantly to the expansion of the real estate sector, carving out their niches as significant players in the Middle Eastern property market (CBRE, 2023; Fayed et al., 2022). Despite this, European firms and portfolio investors seeking to tap into growth and diversification prospects in the region need more literature that explicitly compares the UAE and Qatar's real estate markets, particularly from a European viewpoint (Elsheshtawy, 2016).

The author aims to fill this knowledge gap; this research project will delve into the intricacies of international business and investment portfolio management within the real estate markets of the UAE and Qatar. The study's objectives include identifying the distinct attributes, challenges, and opportunities these markets present to European businesses and investors and understanding each market's nuances. This research will offer invaluable insights for European stakeholders considering an investment in the region by comprehensively comparing the UAE and Qatar's real estate markets.

The study will draw upon various theoretical frameworks and concepts to achieve these objectives. These include modern portfolio theory (Markowitz, 1991), foreign direct investment theories (Dunning, 1988), real estate investment trusts (Hsuan-Chi, 2005), market efficiency theory (Fama, 1970), and the impact of cultural distance on investment decisions (Hofstede, 1984; Kogut & Singh, 1988). By employing a qualitative research approach, the study will explore the diverse opportunities and challenges that the real estate markets in the UAE and Qatar present to European businesses and portfolio investors looking to establish or expand their presence in the Middle East.
Furthermore, the research will encompass data collection methods, such as in-depth interviews with European business executives, investment managers, and market analysts with experience in the UAE and Qatar’s real estate markets. This study will provide firsthand accounts of the factors influencing investment decisions, risk management, and market dynamics. Additionally, the study will analyze case studies of European businesses and investors that have successfully entered the Middle Eastern market through the UAE and Qatar real estate sectors and those that have encountered challenges in their expansion efforts.

By synthesizing the findings from these diverse sources, the research project will contribute to a more comprehensive understanding of the investment landscape in the UAE and Qatar’s real estate markets. This knowledge will benefit not only European businesses and investors but also local policymakers and stakeholders aiming to attract further foreign investment and foster sustainable development in the region.

1.2 Problem Discussion

1.2.1 Theoretical Problemization

The author provides an insufficient grasp of the elements impacting market attractiveness in the real estate markets of the UAE and Qatar. However, there has been little comprehensive research on these markets, resulting in information gaps about the numerous aspects that contribute to market attractiveness, such as political stability, regulatory environment, economic growth, infrastructure development, and cultural compatibility (Joghee et al., 2020; Hawa, 2020; Hvidt, 2013). These concerns must be thoroughly examined to equip European investors with the necessary knowledge to make educated judgments about potential investment possibilities.

In addition, the current literature provides few insights into the cross-cultural dynamics between Europe and the Middle East and substantially impacts investment decision-making processes (Hofstede, 1984). A thorough examination of these dynamics is critical for European investors, as it will influence their strategy to invest in the real estate markets of the UAE and Qatar. This information gap may result in misunderstandings.
And misplaced expectations between European investors and their counterparts in the United Arab Emirates and Qatar (Bouri et al., 2019). Furthermore, there is insufficient portfolio allocation guidance for European investors interested in the real estate markets of the UAE and Qatar. Portfolio allocation is an essential aspect of investment management that aims to balance risk and Return (Markowitz, 1991). Because of the particular characteristics and risks associated with these markets, specialized portfolio allocation methods are required. Current models, such as Markowitz's Modern Portfolio Theory, may not be immediately applicable until the intricacies of these individual markets are considered (Joghee et al., 2020).

1.2.2 Managerial Problemization

Due to a lack of thorough knowledge of market-specific characteristics and cross-cultural dynamics, European investors intending to enter or grow their presence in the UAE and Qatar real estate markets may face challenges (Hvidt, 2013; Hofstede, 1984). Navigating complex legal systems, forming commercial relationships, and analyzing local market trends can all be challenging. Identifying these hurdles is critical to prepare European investors for successful market entry and expansion.

Furthermore, due to the scarcity of comparative data on the UAE and Qatar real estate markets, European investors may face poor risk assessment and management (Joghee et al., 2020; Hawa, 2020). Because of this information gap, potential risks in investing in these markets may be underestimated or overestimated. Understanding each market's risks and challenges would allow European investors to establish more effective risk management methods and make more informed investment decisions.

The lack of comparative studies on the real estate markets of the UAE and Qatar may also result in suboptimal portfolio allocation and performance for European investors (Joghee et al., 2020). A thorough understanding of these markets' investment opportunities and hazards is required for portfolio optimization and efficiently balancing risk and Return (Markowitz, 1991). Understanding the fundamental characteristics that influence the profitability of real estate investments in the UAE and Qatar will provide critical information for European investors looking to improve the performance of their portfolios.
Finally, difficulties in adapting to socio-cultural differences may impede European investors' investment plans and overall success in the real estate markets of the UAE and Qatar (Hofstede, 1984). Cultural differences can impact many business elements, including communication, negotiation, and decision-making. Understanding the potential hurdles to successful investment requires knowing the distinct cultural issues that European investors may face in these markets.

1.3 The Research Gap

This study is grounded in the limited existing literature that compares the real estate markets of the United Arab Emirates (UAE) and Qatar, particularly from the perspective of European enterprises and portfolio investors (Joghee et al., 2020; Hawa, 2020). While previous research has delved into the allure of Middle Eastern real estate markets for foreign investors (Bouri et al., 2019), there is a significant lack of comprehensive comparative financial market analysis of these two countries. This absence of essential data regarding the securities market, trading conditions, and associated trade-offs creates uncertainties that complicate investment decision-making (Markowitz, 1991; Sharpe, 1964).

Moreover, the existing literature does not adequately address the optimal distribution of investment portfolios in the real estate markets of these countries. This knowledge gap challenges European businesses and investors intending to establish or expand their presence in the Middle Eastern real estate market. They require vital information to make informed investment allocation and risk management decisions (Joghee et al., 2020; Hawa, 2020).

In response to this research gap, this study aims to provide substantial insights to European businesses and investors through a comparative examination of the real estate markets in the UAE and Qatar. The research will scrutinize the variables influencing each market's attractiveness or challenges, evaluate the risks and opportunities associated with investing in these nations, and identify the optimal mix of investments to balance risk and return (Markowitz, 1991). Moreover, this study endeavors to bridge the gap in understanding the securities market, trading conditions, and investment opportunities and constraints for European investors in the UAE and Qatar real estate markets. This comprehensive approach addresses the identified issues in the problem analysis and fills the research gap (Joghee et al., 2020; Hawa, 2020).
1.4 Research Questions

Why could UAE or Qatar be an opportunity for European businesses and portfolio investors in the Middle East?

European investors have been interested in the Middle East due to its booming economy, driven by the UAE and Qatar. This study identifies the factors contributing to these two nations' appeal in the region's real estate market. The author will go into the following sub-questions to get a complete picture of the potential and difficulties:

- What key factors promote the growth of the real estate markets in the UAE and Qatar, and how do they affect European investors?

- How do the UAE and Qatar's regulatory, political, and economic climates shape European investors' decisions to enter these markets?

- How do cultural differences between the UAE, Qatar, and European countries influence European investment approaches and risk management in the Middle East real estate market?

1.5 Purpose

The primary goal of this research is to delve into the various elements that contribute to the appeal or difficulties of the UAE and Qatar real estate markets for European businesses and portfolio investors. The author hopes to provide valuable insights into these markets’ opportunities and challenges by examining these factors. Additionally, this study aims to determine the ideal balance of investments across both countries, allowing investors to maximize potential returns while effectively managing risks associated with their ventures in the Middle East.
1.6 Delimitations

Certain delimitations have been established to maintain the focus and scope of this research. These restrictions will guarantee that the study stays modest and pertinent while addressing the primary tenets of the research topic.

1. Geographical Delimitation: Because Qatar and the United Arab Emirates (UAE) have contributed significantly to the economic development of the Middle East, the research will only focus on their real estate markets. This analysis will not take into account other regional nations.

2. Target Audience: The study will focus on European companies and portfolio investors interested in the Middle East's UAE and Qatar real estate markets. Although investors from other regions may find the findings helpful, the research will primarily consider the viewpoints and experiences of European stakeholders.

3. Theoretical Frameworks: The research will build upon selected theoretical frameworks, such as modern portfolio theory, foreign direct investment theories, real estate investment trusts, market efficiency theory, and the influence of cultural distance on investment decisions. Other potential approaches may be relevant but will not be explored in this study to maintain focus.

4. Research Approach: This study will adopt a qualitative research approach, utilizing semi-structured interviews, in-depth case studies, and document analysis to explore the opportunities and challenges presented by the UAE and Qatar real estate markets for European businesses and investors. Quantitative research methods will not be employed in this study.

This research will focus on the key aspects of the UAE and Qatar real estate markets that impact European businesses and portfolio investors, providing meaningful insights to support informed decision-making in these markets.
2 Literature Review

In this chapter of the literature review, the author examines the factors that influence European and portfolio investors’ decisions in the real estate markets of the United Arab Emirates (UAE) and Qatar, with the ultimate goal of analyzing how these factors collectively affect the attractiveness of these markets. This chapter follows an integrated approach, encompassing the theoretical framework inside the literature chapter, allowing for more in-depth knowledge of the interaction between theories and real-world situations.

The assessment is structured around four major themes: Market performance and stability, legal and regulatory issues, economic factors, and cultural variables. All of these have been identified as important in determining investment decisions in the context of the author’s research topic. Relevant ideas are used and explored within each subject of the inquiry.

2.1 Market Performance and Stability

In this section, the author will explore these real estate markets from different angles of the conceptual framework researcher, focusing on market growth trends, Return on investment, and market volatility.

2.1.1 Market Development Patterns

Government initiatives, infrastructure projects, and large-scale events such as World Expo 2020 have significantly driven market growth patterns in the UAE (Gruneau and Horne, 2015). This development can be observed in the growth trend of the UAE's real estate market from 2013 to 2022 in the price comparison between cities in the UAE (ASTECO, 2022). Dubai has seen a recovery in real estate demand and prices, with luxury properties and prime locations leading the way as its international location hub, bearing the highest growth compared to other cities throughout the years (ASTECO, 2022; Ali, 2010).

In contrast, the Abu Dhabi market has experienced slower growth due to an oversupply and diminishing demand for high-end residences (ASTECO, 2022; Ali, 2010).
The market's stagnation can be observed from 2013 to 2022, suggesting the need for strategic adaptation to mitigate this slowdown, such as diversifying property types or adjusting to consumer preferences.

The Qatari real estate market was initially negatively affected by the 2017 diplomatic crisis and economic boycott, severely affecting the market in the following years both in demand and prices. However, the market has demonstrated resilience and growth due to government policies, infrastructure investment, and preparations for the 2022 FIFA World Cup (Ferris, et al., 2022). The lifting of the blockade in early 2021 has further improved the outlook for Qatar's real estate industry (Al Refai, et al., 2021). This development is reflected in the positive growth trend from 2021 to 2023 (Global Property Guide, n.d.). Understanding the impact of geopolitical events on the real estate market is critical to formulating effective investment strategies.

Given these trends, the author aims to identify key factors contributing to market developments and provide guidance on adapting or mitigating their effects to enhance profitability and investments.

2.1.2 Return on Investment

The ROI is influenced by property type, location, and market circumstances in the UAE and Qatar real estate markets. Modern portfolio theory (MPT) (Markowitz, 1991) explains how investors can optimize their portfolios by considering the risk-return trade-off. Responding to the context, prime residential properties in Dubai have achieved strong returns in recent years, exceeding other asset classes (Savills, 2022). In contrast, office and commercial properties have encountered issues due to oversupply and changing consumer behavior following the COVID-19 epidemic (Savills, 2022). Conversely, Qatar demonstrates a resemblance when the residential market has shown mixed success, with prime homes in central locations giving better returns than suburban areas (ValuStrat, 2022). The commercial sector, notably the office and retail divisions, has faced issues due to oversupply, but there is hope for recovery as the economy diversifies and new demand drivers emerge after the mega event FIFA World Cup 2022 (ValuStrat, 2022).

Overall, based on the central concept of the MPT that the author is focusing on, this comprehensively shows that both markets now provide the opportunity for investors to compare; however, additional research and analysis should be implemented to clarify the optimal selection to the investors, as explained further in the study.
2.1.3 Market Volatility

Geopolitical events, global economic conditions, and swings in oil prices have all influenced market volatility in the UAE and Qatar real estate markets (Ramady, 2012; Bouri, 2019). The COVID-19 pandemic has exacerbated volatility, causing demand to decrease and prices to fall in specific segments (Savills, 2022; ValuStrat, 2022). Conversely, government stimulus measures and diversification attempts have tried to stabilize markets and decrease dependence on oil revenues. The Black-Scholes and CAPM (Capital Asset Pricing) model (Black & Scholes, 1973, Sharpe, 1964) can provide a theoretical perspective on market volatility and its implications for investment decisions. Although the Black-Scholes model is mainly used to evaluate financial options, its foundational principles - including risk, return, and time considerations - can be extended to the analysis of real estate investments. Minsky’s financial instability hypothesis (Minsky, 1977) supplements the author’s understanding of market volatility in the context of real estate investments. According to this theory, periods of economic growth and stability can lead to speculative behavior and the formation of asset bubbles, which can eventually cause market crashes. This theory is pertinent to the real estate markets in the UAE and Qatar because it highlights the importance of monitoring market conditions and investor behavior to identify and mitigate potential risks associated with market volatility.

In this comparative approach, the author can evaluate the performance of the securities market in both countries, which will allow us to gauge the actual performance and help identify disparities between the two markets. The viable market will be the one that offers higher profits with less risk, aiding us in making clear conclusions and better recommendations, from there, influencing the investor’s decision-making.

2.2 Regulatory and Legal Environment

2.2.1 Legal and regulatory structures

Dunning's Eclectic Paradigm (Duning, 1988) offers a pertinent theoretical lens to examine the legal and regulatory landscapes of the UAE and Qatar, particularly concerning their appeal to foreign investors in the real estate sector.
The paradigm is anchored on three key considerations - Ownership advantages, Location advantages, and Internalization benefits. Ownership advantages refer to a firm's unique competencies, such as proprietary technology or esteemed brand reputation. Location advantages speak to the conditions and amenities the host country provides, for example, market size, robust infrastructure, or competitive labor costs. Internalization benefits manifest when firms retain control over their international operations rather than opt for contracts or alliances.

In the context of the real estate markets in the UAE and Qatar, (Fernandez et al., 2023) posit the necessity for investor-centric laws and regulations. These legislative frameworks should stimulate foreign investment and foster an environment characterized by transparency and robust code.

To illustrate, consider the policy of foreign ownership in the UAE. Historically, foreign property ownership was severely restricted in the UAE, particularly in the Emirate of Dubai. However, recognizing the potential of foreign investment in boosting the real estate market, the UAE government relaxed these laws in 2002, permitting foreigners to own freehold property in certain designated areas (Davidson, 2007). This reform increased foreign investment, primarily from European and Asian investors (Hvidt, 2009).

In contrast, Qatar has also changed its laws to attract foreign investors. 2004 it enacted Law No. 17, allowing foreigners to own property in select developments (Wilson, R., 2009). More recently, Qatar issued Law No. 16 of 2018, permitting foreigners to own real estate in more areas and granting residency benefits linked to property ownership. These reforms are designed to make Qatar's real estate market more competitive and attractive to foreign investors (Millerand and Verhoeven, 2020).

These examples reflect how the UAE and Qatar are leveraging location advantages by adapting their legal and regulatory frameworks, thus enhancing the appeal of their real estate markets to foreign investors. Future research should continue scrutinizing these evolving policies and their direct impact on investment trends in both nations' real estate markets.
2.2.2 Property ownership laws

North’s (1993) property rights theory emphasizes the need for secure property rights in encouraging economic development and attracting investment. Certain property rights give investors confidence in protecting their assets and guarantee that they will benefit from the rewards created by their investments. In turn, it encourages investors to allocate resources to the real estate sector, supporting growth and development in this business. Property ownership laws in the UAE and Qatar have undergone considerable revisions to facilitate international investment and accord with property rights theory concepts. Foreigners can acquire freehold property in the UAE in select approved areas, giving them full ownership rights over their investment properties. This strategy encourages foreign investors to enter the market by providing them with security and assurance that their interests will be protected (Valenta et al., 2020).

In contrast, Qatar has established a leasehold system for foreign property ownership, which provides foreigners the right to use and occupy a property for a set period, up to 99 years. While this system does not offer the same level of security as freehold ownership, it does provide foreign investors with some assurance about the stability and protection of their investments (Schwabach, 2015).

These regulatory measures in both the UAE and Qatar directly impact the investment prospects and possible profits for European investors in these countries. By providing many types of property ownership rights, the UAE and Qatar have built an environment that caters to the interests and preferences of foreign investors, allowing them to make informed judgments based on the level of security and potential profits associated with each type of ownership.

2.2.3 Taxation policies

The capital asset pricing model, also known as the CAMP (Sharpe, 1964), is a popular financial theory that explains the relationship between risk and expected returns on investments. In this conceptual framework, the anticipated Return on investment is defined by the risk-free rate, the investment's beta (a measure of its risk relative to the market), and the market risk premium, according to the CAPM. Taxation policies are critical in this approach because they directly affect projected investment returns and influence investor decisions across economies.
Taxation regulations in the UAE and Qatar have been designed to create a favorable environment for international investors, particularly in the real estate sector. For non-residents, the UAE, for example, has no income or capital gains tax on real estate investments (Altawyan, 2023). These policies mean foreign investors can keep all their rental income and capital gains from real estate assets without paying taxes. This tax break boosts the projects' overall profitability makes the UAE an appealing destination for European investors. Similarly, Qatar has chosen a taxation policy that imposes only a nominal tax rate on non-resident rental income (Bazel et al., 2018). While this tax rate is not as low as the UAE's tax-free environment, it is still commonly compared to many other countries, giving foreign investors a competitive advantage (Bazel et al., 2018). Qatar's taxation regime boosts overall earnings on real estate investments by lowering tax responsibilities, making the country an attractive market for European Nad portfolio investors.

2.2.4 Investment Incentives and Restrictions
The UAE and Qatar governments have introduced various incentives and limitations to attract and control foreign investments in the real estate sector, reflecting the eclectic paradigm (Dunning, 1988) of balancing market liberalization with government controls. Initiatives in the UAE, such as the Dubai Land Department's (DLD) Real Estate Investment Promotion and Management Center (REIPMC), attempt to stimulate international investments by providing investors with information and support (Dubai Land Department, 2018). On the other hand, Qatar has established policies such as the Foreign Investment Law, which prohibits foreign ownership in some industries, requiring European investors to carefully examine possible prospects in the Qatari real estate market (Biygautane et al., 2018).

2.3 Economic Factors

2.3.1 Macroeconomic Dynamics and Growth Opportunities:
The macroeconomic environment serves as a crucial lens through which to assess growth prospects in real estate markets, as exemplified by the cases of the UAE and Qatar. Key indicators such as GDP growth and inflation rates play a pivotal role in shaping the trajectory of economic expansion within the real estate sector, thus directly influencing investment possibilities.
Dunning's Eclectic Paradigm Theory offers valuable insights into the interplay between GDP growth and real estate investment opportunities. As posited by the theory, robust GDP growth signifies a vibrant and attractive economy, encouraging investment inflows (Dunning, 1988). The sustained expansion of GDP indicates increased economic activities, inherently driving up the demand for real estate ventures. Dunning's theory aptly captures this dynamic by highlighting the importance of a flourishing economy as a backdrop for potential investments.

In real estate investment, inflation rates hold significant implications, which Dunning's Eclectic Paradigm Theory effectively addresses. The theory emphasizes the desirability of an economic scenario characterized by robust GDP growth and low inflation (Dunning, 1988). This harmony creates a conducive environment for investment. The equilibrium between steady economic expansion and controlled inflation reduces uncertainty for investors, fostering confidence in the real estate market's stability (Dunning and Lundan, 2008).

In summary, the macroeconomic dynamics in the UAE and Qatar play a pivotal role in shaping growth opportunities in their respective real estate markets. Dunning's Eclectic Paradigm Theory illuminates the critical connection between GDP growth and inflation rates as crucial determinants of investment attractiveness. Through this lens, it becomes evident that the alignment of these macroeconomic indicators can profoundly impact the overall investment climate, influencing the decisions of potential investors.

### 2.3.1 Diversification Strategies

The economies of the UAE and Qatar are strongly reliant on oil earnings, making them vulnerable to variations in oil prices (Arouri and Rault, 2012). According to the Prebisch-Singer hypothesis (Harvey, 2010), fluctuations in oil prices can lead to economic instability, affecting the appeal of these countries' real estate markets. For example, when oil prices are high, the economies of the UAE and Qatar generally grow, as does government income. This economic growth could increase demand for real estate, driving up property values and making the market more appealing to investors. In reverse, economies may face challenges such as reduced government revenues and slowed economic growth, leading to diminished demand for real estate and downward pressure on property prices, making the market less enticing to investors.

However, diversification efforts in the UAE and Qatar attempt to widen the economic base and reduce dependency on oil earnings. By doing so, these governments want to establish a
more stable economic climate that is less subject to changes in the oil price (Hvidt, 2013; Elsheshtawy, 2008), which includes encouraging investments in the real estate industry, among other sectors. The Modern Portfolio Theory (MPT) (Markowitz, 1991) is a financial theory that emphasizes the significance of diversification in investment portfolios to optimize returns and minimize risk. Although MPT is most commonly used in financial investments,

It can also be used to understand the diversification strategies of the UAE and Qatar. These countries effectively diversify their economic portfolios by investing in various sectors, including real estate. This method helps to reduce the financial risks connected with the oil sector and increases the potential for more stable and sustained growth, making real estate markets more appealing to investors.

2.3.2 Geopolitical risks
Geopolitical risks and tensions in the Middle East region can significantly influence the UAE and Qatar's economies and real estate markets. (Bouri et al., 2019) examine the effects of regional geopolitical events, such as the 2017 diplomatic crisis and economic blockade, on Qatar's real estate market and how these events impact investor sentiment and market dynamics.

Dealing with this issue, the political risk theory, developed by (Bremmer, 2005), stresses the importance of assessing and managing political risks when investing in foreign markets, especially in regions with ongoing geopolitical tensions. This concept offers a valuable perspective for European investors considering investments in the UAE and Qatar real estate markets. It helps them better understand the potential risks associated with regional instability and the impact these risks may have on their investments. Thus, by incorporating the political risk theory into their investment decision-making process, investors can navigate the challenges and identify strategies to mitigate potential risks and uncertainties, such as diversifying their investment portfolio or seeking local partners with a better understanding of the regional political landscape.

2.3.3 Real Estate Financing Options
In general, the availability and accessibility of financing alternatives for European investors in the real estate markets of the UAE and Qatar play an essential role in influencing the investment environment (Rocha et al., 2011), bank loans, mortgages, and real estate investment trusts (REITs) are among the funding alternatives available.
Real estate investment trusts (REITs) have emerged as a popular financing alternative for European investors interested in investing in the real estate markets of the UAE and Qatar (Rocha et al., 2011). According to (Chen, 2005), REITs allow investors to participate in large-scale property investments while benefiting from liquidity and diversity.

REITs aggregate resources from various investors to finance real estate developments, allowing investors to receive market exposure without owning the property directly. Meanwhile, (Fama, 1970) Market efficiency theory has significant implications for evaluating the performance of financing options in the UAE and Qatar real estate markets. According to the notion, financial markets are efficient, and asset prices represent all available information. This indicates that the pricing of REITs, bank loans, and mortgages should already include all essential information regarding the performance and risks associated with these investments in the context of real estate financing choices. As a result, investors must carefully evaluate the efficiency of the UAE and Qatar real estate markets and the possible influence of market inefficiencies on the performance of their selected financing choices.

2.4 Cultural factors

Cultural differences can considerably influence European investors' decision-making processes and ability to navigate the UAE and Qatar real estate markets. (Hofstede, 1984), (Hvidt, 2013) and (Elsheshtawy, 2008) produced research that gives valuable insights into the effect of cultural elements on investment decisions and tactics.

Understanding cultural differences is critical for successful investment and development in the real estate markets of the UAE and Qatar. Investors must know these nations' cultural norms, attitudes, and practices to effectively connect with local stakeholders, adapt investment plans, and optimize profits. As (Hofstede, 1984) indicate, being sensitive to cultural differences can also prevent misunderstandings or disputes that may develop during business talks and transactions.

The cultural gap between European investors and the UAE and Qatar markets influences investment decisions significantly. According to (Hofstede, 1984), (Kogut and Singh, 1988), and (Elsheshtawy, 2008), cultural distance refers to the degree of dissimilarity between two nations' cultures. Investors may face difficulties adapting to different business processes and
communication methods due to high degrees of cultural distance. These difficulties might include disparities in negotiation approaches, decision-making processes, and trust and commitment expectations. On the other hand, the cultural space might present chances for European investors working in the UAE and Qatar real estate markets. (Elsheshtawy, 2008) By recognizing and embracing cultural diversity, investors might build new investment strategies customized to local market conditions and customer preferences. Furthermore, understanding and capitalizing on cultural diversity can boost the overall competitiveness of investors' portfolios, promoting long-term growth and success in these markets.

2.5 Identifying Research Gaps

This section identifies and addresses the significant research gaps in real estate investment in the Middle East, particularly in the UAE and Qatar. The author focuses on European investors' perspectives, the optimal investment mix in these markets, the complex interplay of various influencing factors, and the comparative financial analysis of both markets. The author's research aims to fill these gaps and provide more comprehensive insights.

1. Investor Perspective: The current body of research focuses mainly on macroeconomic issues and specific country laws and regulatory frameworks. However, research delving into the perspectives of European enterprises and portfolio investors directly involved in and heavily impacted by these markets is scant (Joghee et al., 2020; Hawa, 2020). The author's research aims to bridge this gap by offering in-depth insights reflecting their viewpoints.

2. Investment Balance between Qatar and UAE: While many studies evaluate the potential of the real estate markets in the UAE and Qatar separately, there is a notable lack of research focusing on determining the appropriate mix of investments between these two markets (Markowitz, 1991; Joghee et al., 2020; Hawa, 2020). The author's research aims to contribute to this under-researched area by proposing an investment equilibrium that maximizes profits and recommends specific risk management strategies.

3. Holistic Approach: Most research concentrates on isolated elements such as macroeconomic conditions or cultural differences. Few thoroughly assess the factors concerning the author's target countries, Qatar and the UAE (Wong et al., 2011). The author's research intends to conduct a comprehensive examination of the intricate interplay of these factors in the real estate markets of the UAE and Qatar to broaden the knowledge base for investors.
4. Financial and Security Comparative Analysis: There is a noticeable gap in research comparing the financial viability and security of the UAE and Qatar real estate markets. Given their geopolitical position, understanding the financial stability and risk associated with each market is crucial for investors (Brooks and Tsolacos, 2010; Black & Scholes, 1973, Sharpe, 1964). The author's research aims to compare these markets financially, evaluating profitability, growth potential, and associated risks. This comparative financial analysis will assist investors in identifying the more viable and secure market to the investor and then applying proper risk management and strategies to these markets.

Through addressing these identified gaps, the author hopes the author's research will provide a more comprehensive understanding of real estate investment opportunities in the UAE and Qatar, ultimately aiding European investors in making informed decisions.

3 Conceptual Framework

In the conceptual framework, the author aims to analyze the complex factors influencing the decision-making processes of European portfolio investors in the real estate markets of the UAE and Qatar. The selected theories will guide the author's study and shed light on various dimensions of investment decisions.

3.1 Investment Opportunities and Growth Factors:

The author's conceptual framework's first aspect is guided by Dunning's Eclectic Paradigm (Dunning, 1988), which provides a comprehensive framework for understanding foreign direct investment (FDI). Specifically, the author will explore the ownership, location, and internalization advantages European investors perceive in the UAE and Qatar real estate markets. Ownership advantages refer to specific assets or qualities that give a firm a competitive edge in foreign markets. Location advantages pertain to the attractiveness of a particular country or region for conducting business. Internalization advantages involve the benefits of managing foreign operations within the firm rather than contracting them out. By employing this theory, the author aims to illuminate how European investors perceive and capitalize on the potential advantages of the real estate markets in the UAE and Qatar.
3.2 Diversification Strategies:

To gain a deeper understanding of investment decision-making, the author will delve into the macroeconomic landscapes of the UAE and Qatar, focusing on the reciprocal relationship between the author in these environments and investment decisions. Modern Portfolio Theory (MPT) (Markowitz, 1991) will be instrumental in the author's analysis. MPT suggests that it is possible to design an ideal portfolio that provides the maximum expected return for a given level of risk through diversification. It implies that investors can reduce their exposure to individual asset risk by holding a diversified portfolio of assets. In the author study, the author will explore the diversification strategies employed by European investors in the UAE and Qatar real estate markets and examine their implications on investment decisions.

3.3 Risk Management:

The author's conceptual framework further integrates an analysis of geopolitical risks, particularly prevalent in the regions under study. The author will incorporate the Black-Scholes Model (Black & Scholes, 1973) and the Capital Asset Pricing Model (CAPM) (Sharpe, 1964) to assess the role of risk management in investment decisions. The Capital Asset Pricing Model highlights the relationship between the expected return of an investment and its risk, measured as beta. This model suggests that the expected return on investment equals the risk-free rate plus a risk premium based on the investment's beta. This model will be especially pertinent in exploring how investors balance risk and potential return when considering real estate investments in the UAE and Qatar.

Additionally, the Black-Scholes Model, primarily used in financial markets, provides insights into assessing and quantifying risk. Although its application is predominantly in financial derivatives, such as options, the author will extend its core idea of risk assessment to real estate investments. It will offer a perspective on how geopolitical risks in the Middle East might impact investment decisions in the real estate markets of the UAE and Qatar.
3.4 Regulatory Climate and Economic Factors:

The author's conceptual framework acknowledges the multifaceted impact of regulatory, political, and economic climates on investors' propensity to venture into the real estate markets of the UAE and Qatar. North's Property Rights Theory (North, 1993) will play a crucial role. This theory emphasizes the role of institutions, particularly property rights, in economic development. It suggests that certain property rights promote investment and contribute to economic growth. In the context of the author's study, this theory will be instrumental in investigating how the regulatory, political, and economic climates of the UAE and Qatar shape investment decisions in their real estate markets.

3.5 Availability and Accessibility of Financing Options:

The author's conceptual framework's next dimension revolves around the availability and accessibility of financing options in the UAE and Qatar real estate markets. The author will draw on the Market Efficiency Theory (Fama, 1970), which postulates that financial markets are "informationally efficient." In other words, asset prices in efficient markets fully reflect all available information. From the perspective of real estate investments, this theory implies that the real estate market prices would adjust quickly to incorporate new information, making it challenging for investors to achieve above-average returns consistently. Understanding the availability and accessibility of real estate financing options in the UAE and Qatar, as well as how quickly these markets respond to new information, will be guided by this theory.

3.6 Cultural Differences:

Recognizing the significance of cultural factors in investment decisions, the author's conceptual framework incorporates the Hofstede cultural dimension theory (Hofstede, 1984). This theory outlines six dimensions of culture—power distance, individualism vs. collectivism, masculinity vs. femininity, uncertainty avoidance, long-term orientation, and indulgence vs. restraint. By considering these dimensions, the author aims to compare behaviors between the UAE and Qatar markets and navigate the intricacies of communication and business transactions from the perspective of European investors. It is important to note that while Hofstede's theory provides a structured way of comprehending cultural differences, the author will avoid generalizations and stereotypes that may not apply to every individual or organization.
The author will account for individual variations and the diverse subcultures within the broader cultural context of the UAE and Qatar. Additionally, we will supplement quantitative analysis with qualitative insights by incorporating narratives, customs, and personal experiences of European investors in the UAE and Qatar real estate markets. This approach will provide a deeper understanding of the cultural influences on investment decision-making.

In the conceptual framework, these theories will serve as the foundation for the author's data collection and analysis, providing a multidimensional perspective on investment decision-making in the real estate markets of the UAE and Qatar. The author will illustrate the relationships between these theories, analyze their implications, and develop a comprehensive understanding of the factors influencing European portfolio investors in these markets.
3.7 The conceptual map:

The ensuing section introduces the selected theories, expounding on their interconnections and elucidating the theoretical model employed. The following conceptual map visually represents this interplay and the structural foundation upon which the authors' analysis rests.

![Conceptual Map]

Figure 1: the conceptual Map
4 Methodology

The author's primary objective is to uncover the factors that make the UAE and Qatar real estate markets attractive or challenging for European businesses and portfolio investors. To achieve this, the author has designed a research methodology that is both rigorous and comprehensive. This chapter outlines the author's methodological approach, offering a detailed roadmap of the research process, from selecting research strategies to the ethical considerations guiding the author's work.

In crafting the author's methodology, the author has considered various research approaches, strategies, designs, and methods, diligently weighing their merits and drawbacks. Ultimately, the author chose a qualitative method, utilizing multiple data sources to thoroughly grasp the distinctive market dynamics in the UAE and Qatar. This chapter will cover the justification for these decisions and how they will help us answer the author's research questions successfully. The author knows how crucial it is to maintain the caliber and integrity of the author's work as a responsible researcher. This chapter will also detail the steps to keep the author's study accurate and reliable and the ethical and environmentally friendly factors guiding the author's methodology. As the author works on clarifying the complexities of the UAE and Qatar real estate markets for European businesses and portfolio investors, the author hopes to give readers the necessary context to appreciate the depth and breadth of the author's analysis by providing a transparent account of the author's methodology.

4.1 Research Approach

Scholars frequently utilize two principal approaches within academic research: inductive and deductive (Creswell & Creswell, 2017). The deductive method begins with a hypothesis and proceeds to gather empirical evidence to substantiate or disprove it. On the other hand, the inductive approach entails data collection, followed by identifying themes and patterns in the data to derive conclusions (Thomas, 2011).

For this specific investigation, the inductive research approach has been chosen to enable a thorough understanding of the factors that contribute to the appeal or challenges of the UAE and Qatar's real estate markets for European businesses and portfolio investors. The inductive approach is particularly apt for this research, as it permits a deeper exploration of these markets' intricate aspects and subtleties, ultimately resulting in a more comprehensive understanding of their unique challenges and opportunities.
By adopting an inductive approach, researchers can generate fresh insights and knowledge by examining and interpreting qualitative data from various sources, such as interviews, reports, and documents. This method allows the study to probe into the underlying factors behind the attractiveness or challenges of the UAE and Qatar's real estate markets and how they influence European investors' decisions. Furthermore, it enables the identification of trends and patterns within the data, laying the groundwork for additional inquiry and potential recommendations.

In conclusion, the inductive research approach has been selected for this study. It provides a robust framework for delving into and comprehending the factors influencing the allure and challenges of the UAE and Qatar's real estate markets for European businesses and portfolio investors. This approach will empower the researchers to generate valuable insights and knowledge to guide future investment decisions and strategies.

4.2 Research Strategy

The author is presented with two distinct approaches for collecting data and effectively addressing the research question: qualitative and quantitative research strategies, also known as intensive and extensive research strategies (Bahari, 2010). The quantitative or comprehensive method employs a postpositivist perspective to develop knowledge. It emphasizes quantifiable and numeric data collection methods, such as surveys and experiments, to yield statistical results and generalizable conclusions about a population. Conversely, a qualitative or intensive process takes a constructivist approach, focusing on aspects that cannot be quantified or expressed numerically. It emphasizes the collection of open-ended data, depth, meaning, words, visuals, and subjective interpretation by the researcher (Creswell & Creswell, 2017).

Although both strategies are valuable and can address the research question, each approach will yield different findings and answers. Therefore, selecting the appropriate research strategy is crucial for the quality and relevance of the response to the research goal (Bahari, 2010). Due to the nature of the research question, which seeks a deeper understanding of the factors influencing the attractiveness of the UAE and Qatar real estate markets for European businesses and investors, a qualitative strategy is chosen.
This approach aligns with the research question's nature. It allows the researchers to gain richer insights beyond numeric values, thus providing a more comprehensive understanding of the subject within the research context.

4.3 Research Design

The research design is a critical component of any study, as it sets out the plan of action and procedures necessary to address the research question (Creswell & Creswell, 2017). It acts as a roadmap guiding the researcher through collecting and analyzing data and concluding the findings. A well-crafted research design ensures that the study remains focused and produces meaningful results, contributing to the broader body of knowledge in the chosen field (Yin, 2018). Several research designs are available, each tailored to suit different research strategies. In the case of a quantitative method, research designs can include cross-sectional, longitudinal, experimental, comparative, or descriptive approaches. These designs are often associated with collecting and analyzing numerical data, leading to generalizable conclusions applicable to a broader population (Creswell & Creswell, 2017).

Conversely, for a qualitative strategy, potential research designs encompass phenomenological, ethnographic, historical, case studies, and grounded theory approaches. Collecting and interpreting non-numerical data, such as text, photographs, or audio recordings, is a common component of qualitative research designs. This research offers rich, in-depth insights by comprehending a particular phenomenon or scenario's meanings, experiences, and context (Creswell & Creswell, 2017).

Yin (2018) posits that qualitative case study research is precious for investigating complex, real-world questions in a detailed and nuanced manner. By examining multiple cases within a specific context, researchers can identify patterns, themes, and underlying factors that may not be apparent through other research designs. Given that the chosen research strategy for this study is qualitative, a multiple case study design, focusing on conducting in-depth interviews with purposively selected company samples, appears to be the most suitable choice for effectively addressing the research question.

This design will enable the researchers to explore the unique characteristics, challenges, and opportunities within the UAE and Qatar real estate markets for European businesses and investors, providing valuable insights to inform decision-making.
In addition to in-depth interviews, the multiple case study design will also involve the analysis of relevant documents, such as policy papers, industry reports, and academic literature, to supplement the primary data collected. This triangulation of data sources will enhance the credibility and trustworthiness of the study's findings, further contributing to understanding the factors influencing the attractiveness of the UAE and Qatar real estate markets for European businesses and investors (Flick, 2018).

4.4 Type of Data
As diligent researchers, the author aims to thoroughly investigate the intricacies of the UAE and Qatar real estate markets, examining various factors that render them attractive or challenging for European businesses and portfolio investors. To accomplish this goal, we must thoughtfully select the type of data that will best support the author's research purpose and align with the author's qualitative research strategy (Creswell & Creswell, 2017).

4.4.1 Primary Data
Primary data encompasses information gathered directly from the source, tailored specifically for the author's research. The author's study will collect preliminary data through in-depth interviews with key stakeholders, including industry experts, real estate professionals, European investors, and government officials. These interviews will provide us with firsthand insights and perspectives on the UAE and Qatar real estate markets, enabling us to examine the inherent unique characteristics, challenges, and opportunities (Guest, MacQueen, & Namey, 2011). Additionally, the author will develop a tailored interview guide to ensure that the author's conversations with participants are structured, consistent, and focused on exploring the author's research questions.

4.4.2 Secondary Data
As dedicated researchers aiming to delve into the complexities of the UAE and Qatar real estate markets, we acknowledge the significance of examining pre-existing information that can offer valuable context and insights. Secondary data, which refers to data that has been previously collected for different objectives, serves a critical role in complementing the primary data the author obtains through interviews (Creswell & Creswell, 2017). The author will examine various secondary sources to deepen the author's understanding of the UAE and Qatar real estate markets during the author's exploration.
These sources may encompass governmental publications, industry reports, scholarly research articles, news, and market analyses. By carefully studying this existing body of work, the author can better grasp the overall market landscape, emerging trends, prevailing challenges, and potential opportunities (Saunders, Lewis, & Thornhill, 2016).

To ensure the integrity of the author's research, the author will meticulously assess the trustworthiness and pertinence of the secondary sources the author reference. This evaluation will involve scrutinizing the authors' expertise, the publication's date, the target audience, and the overall accuracy of the information presented (Creswell & Creswell, 2017).

By incorporating both primary and secondary qualitative data, the author is confident that the author's research will provide a well-rounded, comprehensive analysis of the factors that render the UAE and Qatar real estate markets appealing or challenging for European businesses and portfolio investors.

4.5 Research Method

As researchers, the author aims to explore the complex nuances of the UAE and Qatar real estate markets and understand their appeal or challenges for European businesses and portfolio investors. According to the author's research topic and the qualitative nature of the study, the author has carefully selected the finest research procedures to achieve this purpose. (Creswell & Creswell, 2017).

4.5.1 In-Depth Interviews

In-depth interviews will cover essential actors such as business leaders, estate brokers, and European investors. This method allows us to gain valuable insights and perspectives from individuals with extensive knowledge and experience in the real estate markets of the UAE and Qatar (DiCicco-Bloom & Crabtree, 2006). Through these interviews, the author will delve into the intricacies of the markets, identify potential challenges and opportunities, and gain an understanding of the participants' decision-making processes.
4.5.2 Document Analysis

In addition to interviews, the author will analyze various documents and reports related to the UAE and Qatar real estate markets. These analyses may include government publications, industry reports, and academic studies. Document analysis will enable us to triangulate the author's findings and strengthen the Validity of the author's research by comparing and contrasting different data sources (Bowen, 2009).

4.5.3 Observations

since conducting site visits is not feasible. In place of site visits, the author will leverage virtual tours to observe the real estate developments in the UAE and Qatar firsthand. These tours will provide us with a richer understanding of the context in which these markets operate, allowing us to interpret better the information gathered through interviews and document analysis (Kawulich, 2005).

By employing these research methods, the author aims to provide a comprehensive and in-depth understanding of the UAE and Qatar real estate markets for European businesses and portfolio investors. These methods will allow us to explore the unique characteristics of these markets and generate valuable insights that can inform investment decisions and strategies.

4.6 Operationalization

In this section, the author presents the operationalization of the conceptual framework for the author's study on European portfolio investors' decision-making processes in the real estate markets of the UAE and Qatar. The author formulated a multidimensional perspective by interconnecting selected theories to explore the intricate influences on investment decisions (see Table 1). The conceptual framework aims to guide the author's investigation into the factors and dynamics shaping investors' choices in these markets. The author has translated the core concepts into measurable interview questions to ensure the conceptual framework's practicality. These questions will facilitate discussions with European investors and illuminate their perceptions and strategies when considering real estate investments in the UAE and Qatar. By operationalizing the conceptual framework through interview questions, the author aims to contribute valuable insights to the existing knowledge on comparative investment decisions in the real estate sector.
<table>
<thead>
<tr>
<th>Concept</th>
<th>Interview Question</th>
<th>Measurements</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Investment Opportunities</td>
<td>Question 1</td>
<td>Understanding participants' perception towards potential investment prospects in the real estate markets of UAE or Qatar.</td>
</tr>
<tr>
<td>2. Real Estate Market Growth Factors</td>
<td>Question 2</td>
<td>Exploring the factors participants perceive to significantly contribute to the growth and attractiveness of the real estate markets.</td>
</tr>
<tr>
<td></td>
<td>Question 3</td>
<td>Investigating the impact of macroeconomic indicators on participants' decision-making process in the real estate markets.</td>
</tr>
<tr>
<td>3- Diversification Strategies</td>
<td>Question 4</td>
<td>Understanding how participants perceive the impact of economic diversification strategies on their decisions in real estate markets.</td>
</tr>
<tr>
<td>4- Risk Management</td>
<td>Question 5</td>
<td>Exploring how participants assess and respond to geopolitical risks when making real estate investment decisions in UAE and Qatar.</td>
</tr>
<tr>
<td></td>
<td>Question 6</td>
<td>Investigating how participants evaluate and manage risks to optimize potential returns in the real estate markets of both countries.</td>
</tr>
<tr>
<td>5- Regulatory, Political, and Economic Climates</td>
<td>Question 7</td>
<td>Understanding the influence of regulatory frameworks, political stability, and economic conditions on participants' decisions.</td>
</tr>
<tr>
<td>6- Availability and Accessibility of Financing</td>
<td>Question 8</td>
<td>Exploring the ease of accessing financing options and their availability, which can impact participants' investment decisions.</td>
</tr>
<tr>
<td>7- Cultural Differences</td>
<td>Question 9</td>
<td>Investigating the role of cultural differences in shaping participants' approaches and decisions in real estate markets.</td>
</tr>
<tr>
<td></td>
<td>Question 10</td>
<td>Understanding how cultural differences influence participants' risk management strategies in both markets.</td>
</tr>
<tr>
<td></td>
<td>Question 11</td>
<td>Examining how participants navigate challenges or opportunities posed by cultural differences in investment decision-making.</td>
</tr>
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</table>

**Table1: Operationalization**
4.7 Sampling

The selection of cases is a crucial step in the research process, as it determines the sample upon which the study's findings will be based (Neuman, 2014). The research question focuses on the attractiveness and challenges of the UAE and Qatar real estate markets for European businesses and investors, so selecting cases that provide rich insights into these aspects is essential.

This study will employ a purposeful sampling strategy to select particularly informative and relevant cases to the research question (Palinkas et al., 2015). This sampling strategy aims to identify issues that represent the diverse experiences of European businesses and investors in the UAE and Qatar real estate markets. To achieve this, the selection of cases will consider factors such as the size of the business or investment, the geographical location within the UAE or Qatar, the specific sector of the real estate market in which the business or investment is involved, and the duration of the business or investment's presence in the market. Additionally, the selection of cases will strive to include a balanced representation of both successes and challenges experienced by European businesses and investors in the UAE and Qatar real estate markets. The author will ensure that the study comprehensively understands the factors contributing to these markets' attractiveness or challenges.

By carefully selecting cases that offer valuable insights into the research question, the study will be well-positioned to generate meaningful findings that inform European businesses' and investors' decision-making processes and strategies in the UAE and Qatar real estate markets.

4.8 Data Analysis

Data analysis is a critical component of the research process, as it involves systematically examining, interpreting, and presenting the collected data to answer the research question (Creswell & Creswell, 2017). This study's data analysis will be primarily qualitative, reflecting the research strategy and methods. The qualitative data analysis process will begin with data organization and familiarization (Braun & Clarke, 2006). This step involves the transcription of interviews, coding of field notes, and the organization of collected documents.
Researcher will then engage in an iterative process of reading and re-reading the data to develop a comprehensive understanding of the material. Following this, the researchers will apply thematic analysis to identify patterns and themes within the data (Braun & Clarke, 2006). This analysis involves generating initial codes, searching for articles, reviewing, defining, naming, and producing a final report. The thematic analysis identifies significant factors contributing to the attractiveness or challenges of the UAE and Qatar real estate markets for European businesses and investors. Throughout the analysis process, the author will engage in reflexivity, critically reflecting on their role and potential biases in the interpretation of data (Berger, 2015) to ensure the credibility and trustworthiness of the findings.

Finally, the author will present the findings coherently and structured, ensuring that the analysis is grounded in the data and effectively answers the research question. By employing a rigorous and systematic approach to data analysis, this study will generate valuable insights that contribute to the understanding of the UAE and Qatar real estate markets from a European perspective.

4.9 Quality of Research

Ensuring the quality of research is essential for producing credible and trustworthy findings. In qualitative research, the quality of research is often evaluated through reliability and Validity (Creswell & Miller, 2000).

4.9.1 Reliability in qualitative research

Reliability refers to the consistency and stability of the research findings over time (Golafshani, 2003). In qualitative research, reliability can be achieved through several strategies, including triangulation, member checking, and maintaining a detailed audit trail (Creswell & Miller, 2000). Triangulation involves the use of multiple sources of data, methods, or researchers to validate the findings and minimize potential biases (Denzin, 2017). In this study, researchers will employ methodological triangulation by combining interviews, field notes, and document analysis to comprehensively understand the UAE and Qatar real estate markets.
Member checking is another strategy that can enhance reliability. This approach involves sharing the findings with research participants to ensure accurate representation and interpretation of their perspectives (Denzin and Lincoln, 2011). Researchers will check members by sharing interview transcripts and preliminary findings with participants to confirm their accuracy.

Maintaining a detailed audit trail involves documenting every step of the research process, from data collection to analysis (Given, 2008). This transparency ensures that other researchers can assess the reliability of the study and replicate the research if needed.

### 4.9.2 Validity in qualitative research

Validity in qualitative research refers to the accuracy and credibility of the findings, ensuring they genuinely represent the phenomena being studied (Creswell & Miller, 2000). Strategies for enhancing Validity in qualitative research include reflexivity, thick description, and peer debriefing (Denzin and Lincoln, 2011).

Reflexivity involves the researcher's critical reflection on their role, assumptions, and potential biases in the research process (Berger, 2015). Throughout this study, researchers will engage in reflexivity to ensure the credibility of their findings.

The thick description refers to providing rich and detailed accounts of the research context and findings, allowing readers to evaluate the transferability of the results to other settings (Geertz, 1973). In this study, researchers will provide thick descriptions of the UAE and Qatar real estate markets, enabling a nuanced understanding of the context and factors influencing these markets. Peer debriefing involves discussing the research process and findings with colleagues not directly involved in the study and providing an external perspective and feedback (Denzin and Lincoln, 2011). Researchers will engage in peer debriefing to enhance the Validity of their findings and interpretations.

By diligently employing these strategies, this study aims to ensure the quality of its research, producing reliable and valid findings that contribute to a deeper understanding of the UAE and Qatar real estate markets from a European perspective. Therefore, European companies and portfolio investors can make wise decisions when evaluating investment opportunities in these markets. Additionally, this study will contribute insightful new information to the knowledge already available on Middle Eastern real estate markets and the elements affecting foreign investors' attraction to them.
4.10 Ethical Considerations

When conducting research, it is important to consider ethical implications throughout the process. Ethical considerations ensure that the investigation is conducted responsibly and respectfully, safeguarding the rights and well-being of all involved parties (Bryman, 2016).

4.10.1 Informed Consent

Before collecting data, the researcher will obtain informed consent from the participants. This process involves providing them with a clear and comprehensive explanation of the study's purpose, procedures, and potential benefits and risks. Participants will be made aware of their right to withdraw from the study at any time without any consequences (Sieber, 2005).

4.10.2 Confidentiality and Anonymity

To protect participants' privacy and ensure the confidentiality of the information they provide, their identities will be anonymized in the research report. Any identifiable information will be securely stored and only accessible to the researcher (Bryman, 2016).

4.10.3 Respect for Cultural Differences

Considering that the research is conducted in the Middle Eastern context, it is crucial to be sensitive to and respectful of cultural differences. The author will strive to understand and respect the cultural norms and values of the UAE and Qatar and consider these factors when interacting with participants and interpreting data (Marshall & Rossman, 2014).

4.10.4 Avoiding Bias

The author will be aware of potential biases and strive to maintain objectivity throughout the study. This awareness includes being cautious of personal assumptions or preconceptions that might influence the interpretation of data. To ensure the transparency and credibility of the research findings, the researcher will maintain a reflexive journal to document any potential biases that may arise during the research process (Creswell & Poth, 2016). This study aims to produce valuable and trustworthy insights while respecting the rights and well-being of its participants and remaining sensitive to the cultural context in which the research is conducted.
5 Empirical Findings

This research delves into the empirical findings derived from in-depth interviews with industry experts in the real estate markets of the United Arab Emirates (UAE) and Qatar. The study also incorporates insights from reports and official websites that provide statistics and data on these markets. This study's primary research question is: "Why could UAE or Qatar be an opportunity for European businesses and portfolio investors in the Middle East?" By examining the firsthand experiences and perspectives of industry experts, as well as secondary sources, this research aims to provide a comprehensive understanding of the real estate landscape in the UAE and Qatar, shedding light on the potential opportunities and dynamics that make these markets attractive for European businesses and portfolio investors.

5.1 In-depth Interviews
The synthesis of empirical insights presented herein is based on in-depth interviews conducted with four investors who specialize in the real estate markets of the United Arab Emirates (UAE) and Qatar. These investors, namely Ms. Lulia Schmidt, Mr. Mohamad Alubeid, and two French investors, Louis, and Mr. Alexandre, bring diverse experiences and perspectives contributing to the author's understanding of foreign investment dynamics in these Middle Eastern real estate markets.

<table>
<thead>
<tr>
<th>First and last name</th>
<th>Date and place</th>
<th>Duration</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mohamad Alubeid</td>
<td>21/05/2023 Zoom</td>
<td>1h:07m:54s</td>
</tr>
<tr>
<td>Lulia Schmidt</td>
<td>22/05/2023 Zoom</td>
<td>55m:23s</td>
</tr>
<tr>
<td>Alexandre / anonym</td>
<td>24/05/2023 Zoom</td>
<td>57m:36s</td>
</tr>
<tr>
<td>Louis / anonym</td>
<td>25/05/2023 Zoom</td>
<td>52m:47s</td>
</tr>
</tbody>
</table>

Table 2: the interviews scheduled

5.1.1 Interview 1
The interview with Mr. Mohamad Alubeid, a seasoned investor of Swedish-Iraqi descent and a prominent Nordic Vision Fund board member, unfolds a tapestry of insights into his distinctive investment strategy within the U.A.E. real estate market. With a rich amalgamation of perspectives and experiences, Mr. Alubeid's narrative unveils an approach that deftly navigates the complexities and harnesses the latent potential inherent in the dynamic landscape of international investments. His distinctive viewpoint offers a roadmap for successfully negotiating the intricacies and capitalizing on the myriad opportunities that arise for global investors in this vibrant sector. This interview thus serves as a valuable window into the intersection of astute strategy and the multifaceted realm of real estate investments in the U.A.E.
5.1.1.1 Opportunities and growth factors

Real Estate Investment Opportunities in the U.A.E.:
Mohamad delves into the U.A.E.’s burgeoning real estate investment landscape, particularly gaining momentum after the Expo 2020. He emphasizes the region's exceptional economic growth, cutting-edge infrastructure, and unwavering stability, which are magnetic forces for global investors seeking lucrative prospects. Mohamad adopts a strategic approach, honing in on properties under construction, which promises to yield substantial returns. He aims to capitalize on the market's potential for sustainable growth and success by identifying early investment opportunities and aligning with the U.A.E.'s investor-friendly policies. The U.A.E.'s geographical advantage as a hub connecting the East and West further bolsters its attractiveness to investors. Mohamad highlights the significance of cultural adaptability and trust-building in the U.A.E.'s business landscape, making it essential for a successful investment journey. As Mohamad expands his real estate ventures, he remains attentive to market trends, geopolitical risks, and Diversification, striking a balance between risk and return to thrive in this dynamic and thriving market.

Factors Driving the Growth of the U.A.E. Real Estate Market:
Mohamad identifies many factors propelling the U.A.E.’s real estate market growth, with economic stability and a diverse economy taking the forefront. Unlike many other economies solely dependent on oil, the U.A.E. has strategically diversified across various sectors, significantly enhancing its attractiveness to global investors. With a stable and flourishing economy as a strong foundation, the real estate market has become an appealing destination for those seeking long-term growth prospects. Mohamad also highlights the government’s pro-business approach, investor-friendly policies, and the absence of income taxes as decisive factors contributing to the nation's real estate boom. As the U.A.E. continues to position itself as a regional business hub, a thriving tourism sector and an increasing expatriate population have fueled the demand for real estate properties. Mohamad keeps a keen eye on these market dynamics while exploring new investment opportunities and aims to leverage his understanding to make informed decisions, ensuring success in this expanding market.

5.1.1.2 The U.A.E.’s Economy Diversification and Investment Decisions:
The U.A.E.’s ongoing efforts to diversify its economy away from oil have created many investment opportunities. This Diversification significantly influences Mohamad's investment decisions, leading him to explore various possibilities within the U.A.E.’s non-oil industries.
As the U.A.E. forges ahead with its ambitious economic agenda, it becomes an even more attractive investment destination. Mohamad understands that such Diversification provides a cushion against oil price fluctuations and global economic uncertainties, making it a testament to the U.A.E.'s proactive approach to ensure long-term growth.

Moreover, the diversification drive has opened doors to new investment areas, such as renewable energy, technology, tourism, and healthcare. Mohamad finds himself enticed by the dynamic prospects within these sectors and envisions the remarkable potential for substantial returns on investment. "The U.A.E.'s commitment to diversifying its economy has sparked my interest and encouraged me to expand my investment portfolio," expresses Mohamad, adapting his strategies to align with the evolving economic landscape. By capitalizing on the nation's diversification success, Mohamad stays at the forefront of investment trends and positions himself advantageously to achieve his financial objectives.

5.1.1.3 Risk management

Managing Geopolitical Risks in Real Estate Investments:
Mohamad remains optimistic about the U.A.E.'s exceptional stability, making it an oasis for real estate investments. His team proactively monitors geopolitical developments, effectively allowing well-informed decisions to mitigate potential risks. The U.A.E.'s proactive stance in addressing challenges provides confidence to investors, minimizing perceived risks. With a robust risk management strategy bolstered by the U.A.E.'s resilience, they can navigate through uncertainties and achieve lucrative returns with greater peace of mind. Mohamad emphasizes, "In an ever-changing world, adaptability is key, and the U.A.E. has repeatedly proven that it can withstand and thrive despite geopolitical complexities."

The U.A.E.'s strategic location, open economy, and investor-friendly policies have attracted global investors seeking a haven for their investments. Mohamad believes understanding the geopolitical dynamics is crucial, but it shouldn't deter investors from tapping into the U.A.E.'s flourishing real estate market. He often says, "In unity, there is strength - and the U.A.E. stands united in its pursuit of progress and prosperity."

Balancing Risk and Potential Returns in Real Estate:
Mohamad's astute investment strategy is finding the equilibrium between potential returns and associated risks in the dynamic U.A.E. real estate market. While the real estate sector offers attractive prospects, it is not immune to fluctuations, making risk management a paramount consideration.
His extensive market research and in-depth analysis enable him to identify emerging opportunities and make informed decisions. One of the primary methods Mohamad employs to mitigate risks is through Diversification.

By spreading investments across various property types and locations within the U.A.E., he ensures that his portfolio isn't overly exposed to the volatility of a single market segment. This Diversification serves as a safeguard, enabling him to offset potential losses in one area with gains in another, thereby stabilizing the overall performance of his portfolio. Furthermore, Mohamad maintains a long-term perspective in his investments. While short-term market fluctuations are inevitable, he focuses on the U.A.E.’s robust and sustainable growth trajectory, confident that the real estate market will continue its upward trend. This patient approach allows him to reverse temporary downturns and capitalize on the market's upward momentum for optimal returns.

5.1.1.4 Accessibility of Real Estate Financing Options:
The U.A.E.’s real estate market's accessibility to various financing options has been a game-changer, opening doors for numerous investors like Mohamad. Local and international banks in the U.A.E. recognize the region's robust property market and offer competitive loans and mortgages tailored to investors' needs.

Mohamad acknowledges that the availability of financing options has significantly influenced his decision to invest more in the U.A.E. real estate market. The seamless process of obtaining loans with favorable terms and interest rates has empowered him to expand his property portfolio strategically. Furthermore, the U.A.E. government's initiatives to encourage real estate investments have contributed to the ease of accessing financing. As Mohamad mentioned in the interview, the U.A.E. offers a distinct advantage with its tax-free policy on real estate income. These measures and the country's overall economic stability have enhanced investor confidence and attracted more foreign funds.

Mohamad also emphasizes that the flexibility of financing options enables investors to optimize their investment strategies. Whether targeting off-plan properties or ready-to-move-in units, the range of financing choices caters to diverse investment preferences. The accessibility of financing options extends beyond traditional banking channels. Private lenders, venture capitalists, and real estate crowdfunding platforms have emerged, further diversifying the options available to investors.
5.1.1.5 Regulatory, Political, and Economic Climates’ Influence on Investment Decisions: "I’ve been greatly encouraged by the U.A.E.’s business-friendly environment and clear regulatory guidelines, which create a secure and predictable investment landscape,” Mohamad states. The country’s stable political climate further enhances investor confidence, knowing that the government is committed to supporting economic growth and real estate development. Additionally, the U.A.E.’s impressive economic growth over the years has solidified its position as a global investment hub, attracting investors like Mohamad to capitalize on the market’s numerous opportunities.

5.1.1.6 Cultural Differences and Investment Approaches: In navigating the cultural differences between the U.A.E. and Sweden, Mohamad shares his insights, saying, "Understanding the importance of personal relationships and trust in the Arab business culture was pivotal in shaping my investment approach." Unlike Sweden, where business interactions are often formal and transactional, the U.A.E. values personal connections, significantly influencing decision-making processes. Mohamad adapted his approach by building solid relationships with local partners, fostering trust, and opening doors to unique investment prospects. He has forged meaningful business relationships in the U.A.E.’s real estate landscape by embracing and respecting the cultural nuances.

5.1.2 Interview 2
The interview with Ms. Lulia Schmidt, an adept German real estate investor, unfolds a panorama of profound insights illuminating her compelling investment odyssey within the captivating landscape of the United Arab Emirates. As the author delves into her perspective and experiences, a tapestry of comprehension is woven, offering a nuanced grasp of the intricate tapestry of challenges and the latent potential that the dynamic U.A.E. real estate sector presents to European investors. With a distinctive vantage point, Ms. Schmidt’s narrative unravels the layers of complexity and unveils a treasure trove of possibilities arising from her engagement. This interview thus emerges as a vantage point to explore the nexus between adept strategic acumen and the dynamic realms of real estate investments, affording a closer look at the symbiotic relationship between European investors and the ever-evolving U.A.E. real estate market.

5.1.2.1 Opportunities and growth factors

Real Estate Investment Opportunities in the U.A.E.
Lulia points out that the U.A.E. real estate market offers many opportunities driven by strong economic growth, supportive government policies, and an attractive tax-free environment for property investments.
Even during global economic challenges, the market's growth potential and resilience have made it an alluring destination for investors worldwide. Lulia emphasizes, "The U.A.E.'s real estate market stands out as a beacon of promise, offering diverse investment avenues to capitalize on the nation's thriving economy." Being a seasoned investor, Lulia highlights that the government's commitment to creating a welcoming environment for foreign investors has been pivotal in her decision to invest in the U.A.E. Implementing long-term residency visas for property investors has provided her with financial stakes and a sense of belonging and security. She adds, "The U.A.E.'s long-term visa policy demonstrates their desire to build lasting partnerships with investors, instilling confidence in our investment decisions."

**Factors Driving the Growth of the U.A.E. Real Estate Market**

According to Lulia, the U.A.E.’s real estate market growth is fueled by substantial population growth, especially in cities like Dubai and Abu Dhabi, driven by expatriates moving in for lucrative employment opportunities and a high standard of living. The influx of people has created consistent demand for housing and commercial spaces, presenting an array of investment prospects. Lulia explains, "The U.A.E.'s magnetic appeal as a global hub for business and tourism has been further amplified by events like Expo 2020, which have significantly boosted the real estate sector, attracting international investments and elevating demand for luxury properties."

Furthermore, the U.A.E. government's commitment to diversifying its economy away from oil dependence has profoundly impacted the real estate market. The growth of sectors like tourism, technology, and finance has expanded the nation's economic horizons and spurred demand for office spaces and residences. Lulia states, "The U.A.E.’s strategic economic diversification has positioned it as an attractive destination for investors seeking long-term growth potential, which translates into many opportunities in the real estate sector."

**5.1.2.2 Diversification of the U.A.E.’s Economy and Investment Decisions**

According to Lulia, the U.A.E.’s successful diversification strategy has directly impacted her investment decisions in the real estate market. The government's efforts to reduce the nation's dependence on oil revenues by promoting growth in other sectors have increased tourism, trade, and finance demand. She further explains, "The U.A.E.'s transformation into a global business and tourist hub, along with its dynamic economy, makes it an attractive market for real estate investments compared to other potential markets."

As a discerning investor, Lulia values the opportunities the U.A.E.’s diverse economy presents. The country's strategic location as a gateway between the East and West and its thriving sectors have influenced her investment approach.
She states, "The U.A.E.'s economic diversification has not only opened doors to new investment prospects but also mitigated risks by reducing reliance on a single industry, making it an appealing market for long-term investments in real estate."

5.1.2.3 Risk Management

Managing Geopolitical Risks in Real Estate Investments

Acknowledging geopolitical risks in the Middle East, Lulia emphasizes that the U.A.E.’s stability and political climate have been decisive in her investment decisions. While the region has experienced its share of geopolitical tensions, the U.A.E. has maintained political stability, fostering a safe and secure environment for businesses and investors. Lulia points out,

"The U.A.E.'s ability to uphold political stability amidst regional uncertainties has been reassuring and instrumental in shaping my investment strategy."

As an investor, Lulia knows the importance of assessing and managing risks. While geopolitical risks are considerations in her decision-making, she values the U.A.E.'s efforts to create a favorable business environment. The government's commitment to investor-friendly policies and regulations has further mitigated risks and encouraged foreign investment in the real estate market. She adds, "The U.A.E.’s business-friendly approach, supported by clear regulatory guidelines, has been essential in my risk management strategy, giving me confidence in my investments in this market."

Balancing Risk and Potential Returns in Real Estate

Lulia's investment strategy in the dynamic U.A.E. real estate market involves carefully balancing risk and potential returns. She highlights her willingness to adapt and make decisions based on market conditions. Lulia says, "The market's dynamism requires a flexible approach, and I'm open to making decisions that optimize returns while managing risks effectively."

As a strategic investor, Lulia understands that market conditions can change rapidly and remains vigilant to potential opportunities and risks. Her approach to balancing risk and potential returns allows her to capitalize on favorable market conditions and make informed decisions, even if it means selling a property she hasn't owned for an extended period.

5.1.2.4 Accessibility of Real Estate Financing Options

Lulia expresses her positive experience with real estate financing in the U.A.E., noting that the market offers various accessible financing options for investors. She emphasizes that local and foreign investors can avail themselves of diverse financing products, including mortgage options from banks and solutions from non-banking finance companies. Notably, Lulia highlights in the interview the absence of taxes on real estate income in the U.A.E.
Adds to the attractiveness of the investment landscape, contributing to a favorable environment for investors. According to Lulia, the availability and accessibility of these financing options have significantly contributed to the investment climate in the U.A.E. real estate market. The diverse financing choices have opened doors to a broader range of investors, providing them with the means to enter the market and participate in real estate ventures. Furthermore, Lulia believes that the competition among financing institutions has led to improved and attractive product offerings, benefiting investors.

5.1.2.5 Regulatory, Political, and Economic Climates' Influence on Investment Decisions
Lulia credits the U.A.E.'s proactive and investor-friendly regulatory environment for facilitating her entry into the real estate market. She appreciates the government's efforts to provide clear guidelines and transparent processes, making navigating real estate regulations smoother. Lulia states, "The U.A.E.'s business-friendly environment, supportive government policies, and economic stability provided a sense of security that influenced my investment decisions."

The U.A.E.'s commitment to creating an investor-friendly environment has instilled confidence in Lulia's investment choices. The stability of the political and economic climates, coupled with transparent regulations, has been instrumental in shaping her investment strategy. Lulia's positive experience with the U.A.E.'s regulatory landscape reinforces her belief in the market's potential and encourages her to continue exploring investment opportunities there.

5.1.2.6 Cultural Differences and Investment Approaches
Cultural differences between Germany and the U.A.E. have significantly impacted Lulia's investment approach in the U.A.E.'s real estate market. She highlights the importance of understanding and adapting to the U.A.E.'s business culture, where relationships and trust play a central role. Lulia explains, "Understanding and adapting to the cultural differences were essential in my investment approach. Building strong relationships has been valuable in gaining market insights and assessing potential risks."

Lulia's recognition of the significance of personal relationships in the U.A.E.'s business landscape has led her to invest time and effort in cultivating connections with developers, brokers, and other investors. These relationships have provided her valuable market insights and advice, allowing her to make more informed investment decisions. By embracing the cultural nuances of the U.A.E., Lulia has been able to navigate the market effectively and leverage its opportunities.
5.1.3 Interview 3

Alexandre, an experienced European investor in real estate, brings a wealth of knowledge and a decade-long track record to the Qatari market. Originating from Paris, France, he diversified his portfolio across European regions before venturing into Qatar's thriving real estate sector. Fascinated by the country's growth potential and commitment to infrastructure, he shifted his focus to Qatar after it won the bid to host the 2022 FIFA World Cup. Alexandre's strategic approach involves balancing risk and potential returns by diversifying his investments, conducting in-depth research, and analyzing financial indicators. While geopolitical risks are a consideration, he remains confident in Qatar's resilience during challenging times. Culturally sensitive, Alexandre values relationships, understands Qatari business customs and tailors his investments to resonate with local and international audiences. His journey exemplifies success through the harmonious integration of financial acumen and cultural insights in Qatar's vibrant real estate sector.

5.1.3.1 Opportunities and growth factors

Real Estate Investment Opportunities in Qatar:

Alexandre identified numerous investment opportunities in Qatar's real estate market. The ongoing infrastructure development, such as new roads, metro lines, and airports, indicates potential growth in nearby areas. The Qatari government's openness to foreign investment, coupled with the residency offer to real estate investors, makes Qatar an attractive destination for investors. The country's strong economy, high per capita income, and diversifying economy contribute to a positive outlook for real estate investments. Demand for properties in prime locations, particularly luxury apartments, remains steady due to an increasing number of expats and high-net-worth individuals settling in Qatar. Additionally, the aftereffects of the 2022 FIFA World Cup, with infrastructure being transformed for commercial real estate and the focus on tourism development, further present investment opportunities.

Factors Driving the Growth of Qatar's Real Estate Market:

Several factors have been driving the growth of Qatar's real estate market. The country's wealthy status and high per capita income contribute to increased demand for quality residential and commercial properties. The Qatari government's proactive approach to encouraging foreign investment by opening up more areas for international buyers and offering residency to investors attracts more investments. Major infrastructure projects, especially in preparation for the 2022 World Cup, have led to appreciating property values. The growing tourism sector, focusing on cultural, heritage, entertainment, and shopping complexes, generates demand for residential and commercial properties.
5.1.3.2 Diversification of Qatar's Economy and Investment Decisions:
Qatar's emphasis on economic diversification away from oil plays a significant role in shaping investment decisions. Alexandre understands the importance of this shift and how it affects the real estate market. He notes, "They're encouraging foreign investment by making more places for international buyers to own property." The government's focus on sectors like education, health, and technology contributes to increased demand for high-quality residential real estate from skilled professionals in these industries. Moreover, the focus on sectors like education, health, and technology particularly appeals to Alexandre. He recognizes that the influx of skilled professionals in these industries will drive demand for high-quality residential real estate. The need for housing for professionals and their families presents a promising investment opportunity in the real estate market. This diversification strategy aligns well with Alexandre's long-term investment goals. By strategically investing in residential properties catering to the needs of skilled workers, he aims to capitalize on the growth potential and stability of Qatar's evolving economy.

5.1.3.3 Risk management

Managing Geopolitical Risks in Real Estate Investments:
The geopolitical climate of the Middle East is a crucial consideration for investors like Alexandre. While the U.A.E. has demonstrated stability that gives him some confidence, Qatar's resilience during the diplomatic blockade gave him confidence in its ability to handle geopolitical challenges. Alexandre explains, "As an investor, geopolitical risks are always on my radar, and they certainly play a part in how I approach investments in Qatar. I have been impressed by Qatar's resilience in the face of these challenges. The diplomatic blockade a few years back - despite that setback, Qatar managed to keep its economy steady, and the real estate market didn't crumble. That incident gave me more confidence in the market's resilience." While geopolitical risks are closely monitored, they do not deter Alexandre entirely. Instead, they make him more focused and calculated in his approach to investing in Qatar's real estate market.

Balancing Risk and Potential Returns in Real Estate:
Alexandre emphasizes the importance of diversification in managing risk and potential returns. He firmly believes that investing in different types of properties in various locations helps spread risk effectively. As he puts it, "For me, a key part of it is diversification. Investing in different types of properties in different locations helps spread the risk." Thorough research is another cornerstone of his risk management strategy. Alexandre dedicates significant time to understanding market dynamics, property specifics, location, and growth potential.
This comprehensive approach allows him to make well-informed decisions that mitigate risks. Financial analysis plays a crucial role in assessing potential returns. Alexandre carefully evaluates rental yields, potential capital appreciation, and property liquidity before investing. While experience and intuition are not an exact science, they guide Alexandre's approach to striking a balance between risk and return.

5.1.3.4 Accessibility of Real Estate Financing Options:
Alexandre's experience with real estate financing in Qatar has been overwhelmingly positive. The accessibility and availability of financing options have been instrumental in his investment decisions. He says, "Many Qatari banks offer local and foreign investors financing options. They generally provide mortgages for up to 70% of the property value for residents and around 50% for non-residents, which has been quite beneficial for managing my investment capital. The interest rates have also been competitive, typically between 3% and 5%, depending on the bank and the individual's financial profile." The recent changes in Qatari laws, allowing foreign ownership in more areas of the country, have further improved the financing landscape for real estate investors. As he mentioned in the interview, this, coupled with the absence of taxes on real estate income, has prompted some banks to proactively offer mortgage products to cater to the increasing demand from international buyers. Overall, the accessible and favorable financing options in Qatar have empowered Alexandre to make strategic investments in the market.

5.1.3.5 Regulatory, Political, and Economic Climates' Influence:
Qatar's regulatory, political, and economic climates profoundly influence Alexandre's investment decisions in the country's real estate market. He acknowledges that understanding the bigger picture is essential, and each aspect contributes to his assessment of the investment climate. Alexandre's positive experience with the welcoming regulations in Qatar has driven his decision to invest. He appreciates the Qatari government's efforts to make buying property easier for foreign investors like himself. The regulatory environment's transparency and openness give him the confidence to pursue real estate opportunities in Qatar. Additionally, Qatar's substantial and diversified economy shapes Alexandre's investment decisions. The country's economic strength and commitment to economic Diversification through initiatives like the Qatar National Vision 2030 bodes well for the future. The focus on developing industries such as education, health, and technology contributes to the growing demand for high-quality residential real estate from skilled professionals in these sectors. This economic resilience and Diversification give Alexandre the confidence that the need for real estate in Qatar will likely remain steady, providing stability and potential returns on his investments.
As Alexandre puts it, "It's all about the big picture. Each piece of the puzzle – the regulations, the political landscape, and the economic conditions – influences my investment decisions in Qatar.” The overall positive climate in Qatar has played a decisive role in guiding Alexandre's decision to invest in the dynamic real estate market.

5.1.3.6 Cultural Differences and Investment Approaches:
Cultural differences between Qatar and Alexandre's home country have significantly influenced his investment approach in the Qatari market. Recognizing the importance of understanding the Qatari business culture, Alexandre strongly emphasizes building personal relationships with local partners before engaging in deals. He states, "Being from Europe, the cultural norms and traditions here in Qatar are different, and this has indeed influenced my investment approach. Let me give you a few examples. The concept of hospitality is deeply ingrained in Qatari culture. This affects how business is conducted here, strongly emphasizing building personal relationships. So, I've learned to take the time to get to know my business partners, to share a meal or a cup of coffee, and not to rush straight into the deal-making. It might seem small, but it can significantly affect how smoothly things go.”
Understanding the central role of the family in Qatari society has also shaped Alexandre's investment decisions in residential properties, as there is a strong demand for larger-family homes in the market. Furthermore, he diversifies his portfolio by considering Qatar's respect for tradition and openness to modernity. These cultural insights have enriched Alexandre's investment process, allowing him to adapt successfully to the dynamic Qatar real estate market.

5.1.4 interview 4

Mr. Louis is a seasoned and highly successful French investor specializing in hospitality. With a focus on hotel investments, he has built an impressive portfolio of properties across different international markets. From years of experience in the hospitality industry, Mr. Louis deeply understands market dynamics and trends. His ventures have proven strategic and rewarding, with a particular emphasis on sustainable growth and maximizing returns. Beyond his financial acumen, Mr. Louis is known for his cultural sensitivity and ability to adapt his investment approaches to the local customs and preferences of each market he enters. As a result, he has earned the respect and admiration of his peers and fellow investors for his insightful strategies and successful track record in the dynamic real estate landscape.
5.1.4.1 Opportunities and growth factors

Real Estate Investment Opportunities in Qatar:
Qatar's real estate market presents significant investment opportunities, particularly in the hotel sector. The country's thriving tourism industry, fueled by initiatives like the Qatar National Tourism Sector Strategy 2030 and the upcoming FIFA World Cup, creates a demand for high-quality accommodations. As Mr. Louis highlights, "The country's thriving tourism industry...offers great potential for hotel investments."

Factors Driving the Growth of Qatar's Real Estate Market:
Several factors contribute to the growth of Qatar's real estate market. The country's robust and diversified economy attracts a skilled workforce and expatriates, driving demand for housing and commercial properties. Additionally, ongoing infrastructure development for the 2022 World Cup enhances property values and fosters investment opportunities. Mr. Louis emphasizes, "The country's robust and diversified economy plays a significant role...driving demand for housing and commercial properties."

5.1.4.2 Diversification of Qatar's Economy and Investment Decisions:
Qatar's focus on economic Diversification aligns well with Mr. Louis' investment approach. Demand for commercial properties, including hotels, is expected to rise as the country develops non-oil sectors. Moreover, the emphasis on education and technology sectors creates potential growth in demand for hotel accommodations from skilled professionals and researchers coming to Qatar.

5.1.4.3 Risk management

Managing Geopolitical Risks in Real Estate Investments:
In the ever-evolving landscape of geopolitical risks, Mr. Louis carefully navigates the real estate market in Qatar. While acknowledging the existence of such risks, he finds confidence in Qatar's relative stability compared to other Middle Eastern countries. The country's remarkable political resilience during challenging times reinforces his positive outlook. Additionally, Qatar's commitment to economic diversification and pro-business policies is vital in mitigating potential risks. Mr. Louis remains vigilant and assesses the geopolitical climate regularly, yet these factors do not deter him from exploring and capitalizing on opportunities in Qatar's real estate market.
Balancing Risk and Potential Returns in Real Estate:
Striking a delicate balance between risk and potential returns is fundamental to Mr. Louis' investment philosophy in Qatar's real estate market. Diversification is a key strategy as he carefully allocates his investments across multiple properties and diverse asset classes. Thorough research and financial analysis form the foundation of his decision-making process, ensuring a comprehensive understanding of market dynamics and property specifics. Leveraging his years of experience in the hospitality sector, Mr. Louis makes informed choices in identifying promising investment opportunities with favorable risk-return profiles. By carefully navigating risk and seizing opportunities, he maximizes the potential for successful and resilient real estate ventures in Qatar.

5.1.4.4 Accessibility of Real Estate Financing Options:
The accessibility and flexibility of real estate financing options bolster Mr. Louis' experience in Qatar's real estate market. Both local and foreign investors find favorable opportunities for securing mortgages from various banks in the country. Qatar's government actively encourages foreign investment in the real estate sector, making banks more receptive to offering financing options to international investors like Mr. Louis. The availability of such financing supports his ventures in the hotel industry and facilitates prudent investment decisions. Additionally, as he mentioned in the interview, the absence of taxes on real estate income further adds to the attractiveness of investing in Qatar's real estate. As a result, Mr. Louis can capitalize on promising opportunities within the hotel sector, contributing to the growth of Qatar's vibrant real estate market.

5.1.4.5 Regulatory, Political, and Economic Climates:
Qatar's welcoming regulatory environment, political stability, and robust economic conditions significantly shape Mr. Louis' investment decisions in the country's real estate market. The government's pro-business policies and initiatives to attract foreign investment create an environment conducive to investment opportunities. Qatar's stable political landscape assures a secure and reliable investment climate. Moreover, the country's strong economic growth and diversification efforts instill confidence in Mr. Louis, affirming his decision to venture into Qatar's real estate sector, particularly in the dynamic and promising hotel segment.

5.1.4.6 Cultural Differences and Investment Approaches:
Recognizing the significance of cultural differences, Mr. Louis integrates cultural insights into his investment approach in Qatar. Understanding and respecting Qatari business culture is central to building strong partnerships and fostering trust with local counterparts.
By taking the time to familiarize himself with local customs and norms, Mr. Louis navigates negotiations effectively and establishes a solid footing in the market. Additionally, he tailors the design and offerings of his hotels to resonate with both local and international guests, embracing cultural nuances that enrich their experiences. The alignment of his investment approach with Qatari culture enhances the appeal of his hotel properties, contributing to their success in the Qatari market.

5.2 Property Market Assessment: U.A.E. and Qatar

In this section, the author delves into a comparative assessment of the property markets in the United Arab Emirates (U.A.E.) and Qatar, aligning with several key points of the conceptual framework. Firstly, exploring Investment Opportunities and growth factors are addressed by analyzing metrics such as Price Income Ratio, Loan Affordability Index, and Gross Rental yield. These indices shed light on the investment potential and profitability of the real estate markets in both countries, aiding in identifying growth opportunities. Secondly, Diversification is evident in the economic growth and FDI index comparisons. These indices offer insights into the diversification strategies of both nations, which directly impact investment decisions. For instance, a higher FDI index in the U.A.E. suggests a more favorable environment for international investment, aligning with their economic diversification initiatives.

Risk Management is inherently present through indices such as Mortgage as a Percentage of Income and Loan Affordability Index. These metrics reflect the financial risk potential property buyers might face regarding mortgage affordability, thus influencing their investment decisions. The Accessibility and Financing Options are underscored by analyzing the Mortgage as a Percentage of Income and Loan Affordability Index in both countries. These metrics offer a lens into the ease with which individuals can access financing options for real estate investments, shaping the overall investment landscape.

5.2.1 Macroeconomic indicators

Economic Growth: Economic growth (Figure 2) is crucial for understanding a real estate market's vibrancy. In 2022, the United Arab Emirates reported an impressive economic growth rate of 7.41% (The global economy, 2022), suggesting a thriving economy. On the other hand, Qatar's economic growth in the same year was 4.83%, indicating a slightly slower pace. These growth rates could influence property demand and investor confidence in each country's real estate market. (The global economy, 2022)
Inflation rate: the inflation rates (Figure 3) were 4.8% in the UAE and 5% in Qatar (The global economy, 2022). Inflation rates reflect the rise in prices of goods and services over time. While these figures are slightly higher compared to previous years, they remain within a manageable range. This aspect is essential for investors, as inflation can influence purchasing power and investment returns in the real estate market. Understanding these inflation dynamics is crucial for making informed investment decisions that align with broader economic trends.
Foreign Direct Investment (FDI): Examining the FDI landscape (Figure 4), the United Arab Emirates boasts a substantial FDI index of USD 20.67 billion. This significant value underscores the nation's attractiveness to foreign investors. In contrast, Qatar's FDI index stands at USD -1.09 billion, indicating a potential decrease in foreign investment. This disparity could be linked to differing economic factors and policies between the two countries. (The global economy, 2022)

5.2.2 Real Estate Indicators: U.A.E. and Qatar

Explore key real estate indices (Table 3) for the United Arab Emirates and Qatar. These indices highlight affordability, rental trends, and investment potential, offering insights into these nations' distinct real estate landscapes.
<table>
<thead>
<tr>
<th>Index</th>
<th>United Arab Emirates</th>
<th>Qatar</th>
</tr>
</thead>
<tbody>
<tr>
<td>Price to Income Ratio</td>
<td>3.45</td>
<td>4.91</td>
</tr>
<tr>
<td>Mortgage as Percentage of Income</td>
<td>24.42%</td>
<td>35.33%</td>
</tr>
<tr>
<td>Loan Affordability Index</td>
<td>4.10</td>
<td>2.83</td>
</tr>
<tr>
<td>Price to Rent Ratio - City Centre</td>
<td>11.11</td>
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</tr>
<tr>
<td>Price to Rent Ratio - Outside of Centre</td>
<td>10.95</td>
<td>13.64</td>
</tr>
<tr>
<td>Gross Rental Yield (City Centre)</td>
<td>9.00%</td>
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<tr>
<td>Gross Rental Yield (Outside of Centre)</td>
<td>9.13%</td>
<td>7.33%</td>
</tr>
</tbody>
</table>

Table 3: Property Prices in the United Arab Emirates and Qatar (numbeo.com, n.d.)

**Price to Income Ratio:** This ratio signifies the affordability of property on income. In the U.A.E., this ratio is 3.45, indicating that property prices are approximately 3.45 times the average income. In Qatar, the ratio is 4.91, suggesting relatively higher property prices than income levels. (numbeo.com, n.d.)

**Mortgage as Percentage of Income:** This index, at 24.42% in the U.A.E. and 35.33% in Qatar, gauges the proportion of income a mortgage payment constitutes. A lower percentage implies more manageable mortgage payments, indicating better affordability in the U.A.E. (numbeo.com, n.d.)

**Loan Affordability Index:** the index calculated as the inverse of the Price to Income Ratio is 4.10 for the U.A.E. and 2.83 for Qatar. A higher value suggests better affordability. (numbeo.com, n.d.)

**Price to Rent Ratio - City Centre and Outside of Centre:** These ratios compare property prices with rental rates, providing insights into whether buying or renting is more economically viable. In the U.A.E. and Qatar, properties outside city centers offer slightly more attractive rental-to-price ratios. (numbeo.com, n.d.)

**Gross Rental Yield:** The Gross Rental Yield index quantifies the return on investment derived from a property through rental income. Notably, the United Arab Emirates demonstrates more robust Gross Rental Yields, recording higher figures in city centers (9.02%) and areas outside centers (9.13%). This index suggests a potentially more favorable landscape for investment returns in the rental market in the U.A.E. In comparison, Qatar's Gross Rental Yields stand at 7.89% for city centers and 7.33% for areas outside centers, indicating relatively slightly lower returns on property investment through rentals in Qatar. (numbeo.com, n.d.)
6 Analysis and Discussion

In this section, the analysis of the empirical insights, as discussed in the preceding chapter, will be expounded upon. By bridging the outcomes with the established literature review, this analysis aims to shed light on the parallels and distinctions uncovered between the theoretical constructs and the practical results. The forthcoming discussion will delve into the synergies and divergences observed through a comprehensive exploration, offering a complete depiction of how the theoretical underpinnings correlate with the tangible findings. This endeavor seeks to provide a nuanced understanding of how the theoretical frameworks resonate in real-world scenarios, contributing to the broader discourse in the field.

6.1 Opportunities and Growth Factors:

Exploring the investment landscape of the UAE and Qatar through the lens of Dunning's Eclectic Paradigm (Dunning, 1988) illuminates distinct growth strategies, ultimately prompting an evaluation of which country presents a more favorable environment for investment.

In the UAE, investors Mr. Mohamad Alubeid and Ms. Lulia Schmidt embody the essence of Dunning's concepts. Alubeid's strategic emphasis on economic growth, infrastructure, and stability resonates with the theory's location-specific advantages. His approach takes full advantage of the UAE's investor-friendly climate. Conversely, Schmidt's strategic pivot towards post-Expo 2020 opportunities and investor-friendly policies align with the internalization advantages aspect of Dunning's theory. This underscores her ability to integrate growth prospects within the UAE's economic ecosystem effectively.

The UAE's macro indicators (see Figure 2,3,4) further affirm Dunning's concepts. An inflation rate of 4.8% signifies a growing economy with promising returns, aligning with Dunning's considerations of the role of inflation in investment decisions. Robust GDP growth of 7.41% amplifies location-specific advantages, indicating a thriving economic landscape. The notable FDI index of USD 20.67 billion corroborates the UAE's attractiveness to foreign investors, providing evidence of robust internalization advantages.

Comparatively, Qatar's investment landscape also resonates with Dunning's Eclectic Paradigm. Investors like Alexandre and Mr. Louis mirror various dimensions of the theory. Alexandre's forward-looking strategy and infrastructure investments reflect location-specific advantages. His alignment with Qatar's potential for commercial real estate growth aligns with ownership-specific benefits, notably the forthcoming FIFA World Cup. On the other hand, Mr. Louis' focus on the thriving hotel
sector underscores internalization advantages, showcasing his ability to tailor investments to Qatar's burgeoning tourism industry.

Turning to Qatar's macro indicators (see Figure 2, 3, 4), an inflation rate of 5% and a GDP growth of 4.83% reinforce Dunning's theory by signaling growth potential and investment opportunities. However, the negative FDI index of -1.09 USD billion points to Qatar's potential shortcomings in internalization advantages, which external factors might influence.

The UAE offers a more attractive investment environment in weighing the two markets. Robust macroeconomic indicators, substantial FDI inflow, and adept integration of location-specific and internalization advantages provide a promising backdrop for real estate investment. While presenting opportunities within Dunning's framework, Qatar seems to face challenges in fully capitalizing on internalization advantages, potentially affecting its overall investment climate.

In conclusion, a comparative analysis of Opportunities and Growth Factors in the UAE and Qatar, viewed through Dunning's perspective, indicates that the UAE holds a more favorable stance for real estate investment. However, it's essential to note that investment decisions are multifaceted, and various factors beyond the scope of Dunning's theory also contribute to the overall investment landscape in both countries.

6.2 Diversification of Economy:

Applying Modern Portfolio Theory (M.P.T.) (Markowitz, 1991) principles to the investment strategies in both the UAE and Qatar reveals a comprehensive understanding of the significance of economic Diversification.

Mr. Alubeid's focus on construction projects and Ms. Schmidt's alignment with Expo 2020-related growth reflect a nuanced grasp of Diversification in the UAE. The UAE's concerted efforts to reduce dependence on oil revenues have given rise to a diversified economy, a trend substantiated by the investors' strategies. By diversifying their investments across sectors that contribute to the UAE's economic growth, both investors effectively embody the essence of M.P.T., which aims to spread risk while maximizing returns.

Similarly, Qatar's economic diversification initiatives are mirrored in the strategies of Alexandre and Mr. Louis. Alexandre's diversified property portfolio and Mr. Louis' emphasis on the flourishing hotel sector align with Qatar's move toward a more varied economy. The investors' decisions exhibit their understanding of M.P.T.'s principles of reducing risk through Diversification and optimizing returns by aligning investments with sectors poised for growth.
Comparing the two countries, the UAE and Qatar strategically leverage economic Diversification to attract investments and drive growth. The adaptability of investors in both markets to these diversified landscapes highlights the global relevance of M.P.T.'s principles. The alignment between the investors' strategies and the countries' diversification initiatives also underscores the symbiotic relationship between investment decisions and broader economic goals.

Furthermore, the investors' adherence to M.P.T. principles benefits their portfolios and contributes to their respective economies' resilience. The alignment of their investment strategies with diversified economic pathways showcases a proactive response to the changing dynamics of the global market, emphasizing how economic Diversification and investment strategies can work in tandem for sustainable growth.

6.3 Risk Management:

In examining the risk management strategies within the real estate markets of both the UAE and Qatar, it's evident that the investors' approaches are significantly influenced by the Black-Scholes Model (Black & Scholes, 1973) and the Political Risk Theory (Bremmer, 2005). These theoretical frameworks provide lenses through which risk assessment and management strategies can be understood in the two countries' complex real estate investment landscapes.

Mr. Alubeid and Ms. Schmidt's risk management strategies in the UAE resonate with the Black-Scholes Model and Political Risk Theory. Mr. Alubeid's proactive monitoring of geopolitical developments aligns with Political Risk Theory's emphasis on understanding the potential impact of political events on investments. His quick responses to changes in the geopolitical landscape demonstrate his recognition of the dynamic nature of political risk and the need to factor it into decision-making. Simultaneously, his strategy aligns with the Black-Scholes Model's real-time incorporation of new information into risk assessment.

On the other hand, Ms. Schmidt's emphasis on historical trends and political stability reflects her application of Political Risk Theory. Her approach suggests an understanding of the significance of political stability in mitigating potential risks. This aligns with the theory's recognition of the importance of stable political environments in reducing uncertainty. Moreover, her reliance on historical patterns corresponds with the Black-Scholes Model's consideration of past data in estimating future outcomes.
Turning to Qatar, Alexandre and Mr. Louis also adopt risk management strategies aligning with the Black-Scholes Model and Political Risk Theory. Alexandre's confidence in Qatar's resilience reflects his adherence to Political Risk Theory's perspective on Qatar's stability as a mitigating factor in political risk. His approach resonates with the Black-Scholes Model's valuation of options under conditions of uncertainty, where underlying stability plays a significant role.

Similarly, despite acknowledging risks, Mr. Louis' optimism about Qatar's stability aligns with Political Risk Theory's recognition of the nuanced nature of political risk. His strategy corresponds with the Black-Scholes Model's valuation even when variables are uncertain, showcasing adaptability in risk evaluation.

Comparing the risk management approaches of both countries, it's apparent that the combination of the Black-Scholes Model and Political Risk Theory provides a comprehensive framework for assessing and mitigating risks. The UAE investors' strategies emphasize swift responses to new information, reflecting real-time assessment and the role of political risk in shaping decisions. Both investors' strategies in Qatar showcase a blend of valuing underlying stability and adaptability, echoing both theoretical perspectives.

In determining which country's risk management approach is more effective, it's crucial to consider the accuracy of valuations, the ability to incorporate real-time data, the reliance on historical patterns, and the evaluation of political risk. Both approaches underscore the dynamic interplay between investor beliefs, theoretical frameworks, and their implications for risk management in real estate investments.

6.4 Accessibility of Real Estate Financing Options:

By exploring the accessibility of real estate financing options in the UAE and Qatar, we can uncover how both countries align with the principles of the Capital Asset Pricing Model (CAPM) (Sharpe, 1964) while presenting distinct approaches influenced by their unique attributes.

In the UAE, Mr. Alubeid's emphasis on securing favorable financing terms and Ms. Schmidt's recognition of diverse financing products reflect CAPM's focus on risk and return. Mr. Alubeid's approach corresponds with CAPM's risk-return trade-off, where he aims to optimize returns through financing terms. Similarly, Ms. Schmidt's consideration of financing costs mirrors CAPM's comprehensive perspective.
Remarkably, both interviews in the UAE emphasize the absence of taxes on real estate income, aligning with the Real Estate Investment Trust (REIT) (Chen et al., 2005) theory's objective of offering attractive income streams with reduced tax burdens. This tax-free policy resonates with REIT theory's principles and enhances the appeal of real estate investments in the UAE market. This unique aspect and CAPM's risk and return considerations shape the investors' strategies.

Both Alexandre and Mr. Louis demonstrate alignment with CAPM principles in Qatar's real estate market. Alexandre's focus on financing terms and interest rates parallels CAPM's valuation methodology, while Mr. Louis' awareness of varying financing rates corresponds to CAPM's risk-return trade-off.

Notably, both interviews highlight Qatar's distinct tax policies on real estate income. Alexandre's observation echoes REIT theory, which aligns with CAPM's principles, and Mr. Louis' experience with favorable financing options underscores Qatar's investment-friendly environment, resonating with both CAPM and REIT theory.

Analyzing market indicators (see Table 3), the Price to Income Ratio in the UAE signifies balanced valuation, mirroring CAPM's principle of aligning asset prices with income levels. In Qatar, a higher Price to Income Ratio and metrics indicating a substantial portion of income dedicated to mortgages underlines the need for thorough risk assessment, in line with CAPM's core tenet.

Regarding economic growth and FDI, the UAE's indicators align more favorably with CAPM's principles, suggesting a potentially attractive investment climate. Qatar also aligns with CAPM and presents indicators that warrant closer risk evaluation.

The accessibility of real estate financing options in the UAE and Qatar demonstrates a convergence with CAPM principles yet showcases how each country's unique attributes influence strategies. The UAE's tax-free policy and indicators appear to align more harmoniously with CAPM's principles, while Qatar's attributes require further risk consideration. Both cases underscore the significance of integrating financial theories within specific market contexts.
6.5 Regulatory, Political, and Economic Climates' Influence:

In evaluating the influence of regulatory, political, and economic climates on investment decisions, the cases of the U.A.E. and Qatar offer intriguing insights. The context of both countries can be assessed through the lens of North's Property Rights Theory (North, 1993), shedding light on how the interplay of these factors shapes investors' strategies.

In the U.A.E., Mr. Alubeid and Ms. Schmidt's alignment with the country's regulatory transparency and political stability resonates with North's theory. Their shared confidence in the U.A.E.'s secure property rights, facilitated by institutional factors, highlights the crucial role of regulations and political climate in investment decisions. Their perspectives also reveal the varying ways in which North's theory can be applied. Mr. Alubeid's focus on economic growth underscores how a stable environment contributes to an attractive investment landscape. In contrast, Ms. Schmidt's emphasis on regulations highlights the role of well-defined rules in fostering a business-friendly atmosphere.

Turning to Qatar, Alexandre, and Mr. Louis embody North's theory in their investment strategies. Their emphasis on Qatar's transparent regulatory framework reflects the theory's premise that secure property rights underpin investor confidence. Alexandre's positive outlook on Qatar's regulations and Mr. Louis' endorsement of pro-business policies highlight the pivotal role of institutions in shaping investment climates. Their adherence to North's theory underscores how legal and institutional structures intertwine with economic growth.

Comparatively, both countries demonstrate alignment with North's Property Rights Theory. However, the extent to which this alignment translates into favorable investment climates differs. The U.A.E.'s long-standing commitment to transparency and stability, recognized by Mr. Alubeid and Ms. Schmidt, positions it as a stronger contender regarding regulatory and political influence on investment decisions.

Conversely, Qatar's attractiveness is propelled by Alexandre and Mr. Louis's affirmation of transparent regulations and pro-business policies. While both investors highlight Qatar's favorable climate, the country's less-established history compared to the U.A.E. might require ongoing validation of these regulations. In this regard, the U.A.E.'s established reputation and stability provide a more robust basis for investment decisions.
The U.A.E.’s and Qatar’s regulatory, political, and economic climates indeed play pivotal roles in shaping investment strategies, underlining the significance of institutional factors. While both countries exhibit alignment with North's theory, the U.A.E.’s historical stability positions it as a more secure investment destination, supported by the trust of investors like Mr. Alubeid and Ms. Schmidt.

6.6 Cultural Differences:

Examining the impact of cultural differences on investment strategies in the U.A.E. and Qatar unveils the significance of Hofstede's Cultural Dimensions theory (Hofstede, 1984). Mr. Alubeid’s and Ms. Schmidt's approaches to cultural sensitivity align with this theory, reflecting the role of cultural nuances in shaping investment practices.

In the U.A.E., both investors' recognition of cultural intricacies resonates with Hofstede's dimensions. Mr. Alubeid's emphasis on relationship-building and understanding local customs aligns with Hofstede's collectivism and high-context communication dimensions. His focus on personal connections underscores the cultural importance of community and indirect communication in the U.A.E.'s business environment. Similarly, Ms. Schmidt's emphasis on trust and adaptability mirrors uncertainty avoidance, mirroring her incorporation of local customs to foster confidence in her investments. Their shared alignment with Hofstede's dimensions demonstrates how cultural considerations interweave with investment strategies.

Shifting to Qatar, Alexandre, and Mr. Louis tailor their strategies to Hofstede's dimensions, showcasing unique approaches shaped by cultural factors. Alexandre's focus on relationship-building aligns with Hofstede's collectivist dimension, showcasing the value of harmonious relationships in Qatari culture. This approach resonates with collectivist values, emphasizing group cohesion. In contrast, Mr. Louis's adaptability reflects uncertainty avoidance as he navigates Qatar's market intricacies with a structured yet accommodating approach. This mirrors the dimension's emphasis on managing ambiguity through established practices.

Comparatively, the U.A.E.’s investment landscape appears to have a more substantial alignment with Hofstede's dimensions. Mr. Alubeid's and Ms. Schmidt's shared focus on building relationships and understanding local customs illustrates a deeper integration of cultural factors into their strategies. This suggests that the U.A.E.’s cultural nuances hold more sway in shaping investment decisions, making it the more culturally influential environment for real estate investment.

In Qatar, while influenced by cultural dimensions, Alexandre's and Mr. Louis's strategies seem to
represent individual adaptations rather than a holistic integration of cultural factors. While their approaches reflect Hofstede's dimensions, the U.A.E.'s investment strategies appear more inherently shaped by cultural considerations. The U.A.E.'s investment strategies appear to have a more profound and nuanced integration of Hofstede's Cultural Dimensions, indicating a more substantial influence of cultural differences on investment practices. This comparative analysis showcases the intricate relationship between culture and investment decisions, with the U.A.E. emerging as the country where cultural considerations play a more decisive role.

Finally, the analysis presented here bridges the gap between theory and practice, providing a nuanced understanding of the UAE and Qatari real estate markets. By integrating theoretical concepts with empirical insights, we uncover valuable patterns and connections that inform investment strategies and decision-making processes. The analysis contributes to the existing body of knowledge and lays the groundwork for further exploration in this dynamic field.

7 Conclusion

7.1 Answering the Research Questions

In this comparative study, the author aimed to answer the main research question: "Why could UAE or Qatar be an opportunity for European businesses and portfolio investors in the Middle East?" Based on the analysis of the theoretical framework, empirical findings, and the integration of these two sources, the author can provide insights that address the research question and highlight the differences between the UAE and Qatar real estate markets.

Theoretical insights highlighted the importance of economic factors, cultural understanding, risk management, and institutional frameworks in shaping investment decisions. Empirical findings from interviews with investors specializing in the real estate markets of both countries further supported these theoretical insights. However, it is noteworthy that the research findings indicate that the UAE real estate market offers more significant opportunities for European businesses and portfolio investors than Qatar.
The UAE presents a desirable investment destination with its sustained economic growth, innovative diversification strategies, and robust infrastructure development. The country's large market size, stability, and favorable business environment create a conducive ecosystem for European businesses and portfolio investors. In contrast, Qatar also offers investment potential, but its market size and growth potential are relatively smaller than the UAE.

Therefore, the author concludes that the UAE real estate market holds more significant opportunities for European businesses and portfolio investors seeking to expand their presence and investments in the Middle East. However, it is essential to consider individual investors' specific objectives, risk tolerance, and investment strategies when making investment decisions in either country.

7.2 Recommendations

Based on the analysis conducted, the author offers several recommendations for European businesses and portfolio investors considering investment in the UAE and Qatar real estate markets:

1- Conduct thorough market research: Before making investment decisions, it is crucial to conduct extensive market research, considering economic indicators, market growth potential, cultural nuances, and regulatory frameworks. This research will provide a solid foundation for understanding the investment landscape and identifying potential opportunities.

2- Build local partnerships: Given the significance of cultural understanding in these markets, forming local partnerships and leveraging local expertise can significantly enhance the chances of success. Collaborating with reputable local partners can facilitate navigating cultural differences, local regulations, and business practices.

3- Develop robust risk management strategies: Geopolitical risks are inherent in the Middle East, and developing powerful risk management strategies is essential. This includes diversifying investments, understanding local political dynamics, monitoring market conditions, and staying informed about changes in the regulatory landscape.
4- Engage with professional advisors: Seeking guidance from professional advisors with expertise in the UAE and Qatari real estate markets can provide valuable insights and advice throughout the investment process. Professional advisors can offer market-specific knowledge, assist in legal and regulatory compliance, and help navigate challenges.

7.3 Limitations

Although this research offers insightful contributions, it is important to recognize several limitations. First off, the study only considered the viewpoints of a small group of investors, which may have yet to represent the range of experiences and perspectives present in the real estate markets of the UAE and Qatar. The empirical results also rely on the results of the interviews, which are susceptible to the inherent biases and constraints of qualitative research.

The research is also focused on a specific period, and the Qatari and UAE real estate markets are dynamic and prone to change; for European enterprises and portfolio investors, market conditions, economic considerations, and geopolitical dynamics might change, posing new opportunities and difficulties.

7.4 Suggestions for Future Research

Future study options include several of the following:

1- Expanding the sample size: A more extensive study that includes a more varied sample of investors can better understand investment patterns and further confirm the results.

2- Comparative analysis can shed light on the distinctive traits, benefits, and difficulties of the real estate markets in the UAE and Qatar with those in other Middle Eastern nations or other global markets.

3- Sector-specific analysis: Investigating particular real estate market segments, such as residential, commercial, or hotel, can offer more significant insights into the patterns and investment opportunities in these segments.

4- Performing longitudinal: research over a long period helps capture the movements and changes in the real estate markets, enabling a more thorough knowledge of investing.
By addressing these suggestions for future research, the author can continue to deepen the author's knowledge of the UAE and Qatari real estate markets and provide valuable insights for European businesses and portfolio investors.

In conclusion, this research provides a comprehensive analysis connecting theory, empirical findings, and the author's voices as researchers. By integrating theoretical insights and empirical evidence, the author has shed light on the opportunities and challenges for European businesses and portfolio investors in the real estate markets of the UAE and Qatar. The author's recommendations, limitations, and suggestions for future research serve as valuable takeaways for investors and researchers interested in these dynamic markets.
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Appendix

Questions Guide

1. What opportunities do you see for UAE / OR Qatar real estate market investors?

2. Can you identify the key factors that promote real estate market growth in the UAE / OR Qatar?

3. How have the macroeconomic environments of the UAE / OR Qatar influenced your investment decisions in this market?

4. How do you perceive the diversification strategies of the UAE / OR Qatar economies, and how do these influence your investment decision in this market?

5. How do geopolitical risks in the Middle East impact your decision to invest in the UAE / OR Qatar's real estate markets?

6. How do you balance risk and potential return when considering real estate investments in the UAE / OR Qatar?

7. How do the UAE / OR Qatar's regulatory, political, and economic climates shape your decision to enter this real estate market?

8. Could you share your experience regarding the availability and accessibility of real estate financing options in the UAE / OR Qatar?

9. How do cultural differences between the UAE / OR Qatar and your home country influence investment approaches in this market?

10. How do these cultural differences impact your risk management strategies when investing in the Middle East real estate market?

11. Can you share an instance where cultural differences in the UAE or Qatar significantly impacted your real estate investment decisions or operations? How did you address this situation?