

From Office to Hospitality: Financing Adaptive Reuse in Gulf Cities

A Global Conversion, Operating and Capital Framework with Gulf Execution Controls

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Abstract

An underused office can appear to offer a ready-made structure for a hotel. The investable proposition is more demanding. A lender and equity investor need evidence that the existing frame, floor plate, facade, vertical circulation, fire strategy, building services, loading, arrival, room layout and approvals can support a licensed hospitality operation at a competitive all-in cost and within a fundable timetable. They also need a hotel business case whose demand, positioning, operator terms, ramp-up, working capital and lifecycle reserves survive downside testing.

Current official sources illustrate the execution perimeter. Dubai Department of Economy and Tourism requires hotel classification for operation and states that its approval is required when converting an existing building into a hotel. Dubai Municipality's building code establishes minimum requirements for health, safety, welfare and sustainable development, while a published circular on converting residential buildings into hotels highlights location, exterior form, services, hotel standards and tourism-authority requirements. Dubai Civil Defence publishes fire and life-safety requirements relevant to hotel bedrooms and mixed occupancies. Saudi Building Code applies to existing buildings when use changes and includes a dedicated existing-building code; Saudi Ministry of Tourism regulations require licensing and classification of tourist accommodation. United Kingdom planning guidance confirms that a material change of use can require planning permission. United States Environmental Protection Agency and Department of Energy guidance identify embodied-carbon and operational-energy opportunities from building reuse and retrofit. IFC's Tourism and Hospitality Development guidelines address environmental, health and safety risks across construction and operation.

This paper develops a conversion-to-credit framework for office-to-hospitality adaptive reuse. It introduces a building-fit screen, change-of-use approval map, room-key yield bridge, intrusive-survey and design-risk register, conversion cost frontier, hotel operating model, brand and operator decision, capital stack, draw structure, downside cases, ten-day diagnostic and ninety-day adaptive-reuse finance office. Worked areas, costs, room counts, rates, margins, dates and financing terms are management assumptions used solely to demonstrate the method. They are not forecasts, valuations, engineering conclusions, market studies or representations of any named building. Planning, building control, fire and life safety, accessibility, title, leasing, licensing, tax, accounting, insurance, operator, franchise, environmental and financing treatment require asset-specific professional and authority review.

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1. Treat adaptive reuse as a new operating asset inside an old structure

Office-to-hospitality conversion preserves part of a building while changing how the asset earns revenue, accommodates people and consumes services. The retained structure can reduce demolition and new-build work. It can also constrain room layout, fire separation, facade performance, vertical circulation, acoustics, plumbing, back-of-house flow and guest arrival.

The investment case therefore begins with two connected questions. Can the building be lawfully and technically converted? Can the converted hotel generate sufficient risk-adjusted cash flow after acquisition, conversion, ramp-up and recurring capital needs?

A low office valuation does not establish a viable hotel basis. The sponsor must add acquisition costs, vacancy and decanting, design, surveys, approvals, structural and envelope work, mechanical and electrical replacement, fire and life safety, guestrooms, public areas, food and beverage, back of house, operator requirements, finance, contingency, pre-opening, working capital and reserve funding.

The conversion process should retain separate evidence classes. Existing records describe what was designed or approved. Surveys show observed condition. Design develops the proposed solution. Authority approvals determine the permitted solution. Cost plans price defined scope. The operating model estimates future performance. Combining these states prematurely creates false certainty.

The lender and board should use an evidence-gated route from candidate building to licensed and stabilised hotel. Each gate has a decision, source documents, risk owner, spending limit and stop condition.

Figure 1. Office-to-hospitality conversion evidence spine
AN OLD STRUCTURE BECOMES A NEW OPERATING ASSET THROUGH EVIDENCE GATES



Capital advances when retained-asset evidence, approvals, scope and operating cash flow remain connected

Gates and required approvals depend on the building, jurisdiction, hotel concept and financing.

2. Define the conversion thesis before selecting a building

A sponsor can waste design capital by starting with a building and searching for a concept that fits. The conversion thesis should first define the target guest, stay occasion, price position, key count, room size, amenities, food and beverage, operating model, opening window and required return.

The thesis also identifies why conversion is preferable to continued office use, sale, demolition or another adaptive use. The case may rely on acquisition basis, speed, location, urban character, embodied-carbon retention, planning policy or scarcity of hotel sites. Each claimed advantage requires a measurable test.

Current Dubai tourism performance provides market context rather than asset underwriting. Dubai Department of Economy and Tourism reported 19.59 million international overnight visitors in 2025 and publishes hotel supply and demand indicators. Citywide results cannot establish the achievable occupancy, average daily rate or ramp-up of a particular converted hotel. Positioning requires a defined competitive set, demand segmentation, seasonality, distribution and product assessment.

The thesis should set minimum and maximum parameters. Examples include acceptable acquisition basis per potential key, required net-to-gross efficiency, maximum structural intervention, minimum room frontage, permitted opening date, operator economics, stabilised debt-service coverage and downside equity return. These are sponsor decision thresholds rather than universal standards.

Buildings outside the thesis can be screened out early. The team should record why each candidate fails so that pressure to revive an unsuitable asset does not bypass prior evidence.

Table 1. Adaptive-reuse investment thesis register

Thesis component	Evidence required	Decision threshold	Stop condition
guest and demand	segment study, events, corporate, leisure and extended-stay evidence	addressable demand supports the proposed product	concept relies on unsupported citywide averages
building basis	acquisition price, taxes, existing income and possession	total basis remains viable per potential key	title, possession or vacancy cost is unresolved
conversion fit	grid, depth, core, facade, services and fire screen	viable room, circulation and back-of-house layout	fundamental life-safety or layout constraint
opening window	approvals, design, procurement and construction path	opening fits the market and funding case	critical approval or long-lead item misses the window
operating model	operator proposal, fees, payroll, distribution and reserve	downside cash flow covers required obligations	economics depend on unapproved assumptions
capital return	complete cost, finance, stabilisation and exit cases	approved downside return and coverage	contingency or funding gap exceeds authority

Thresholds are project-specific management decisions and require current market, technical and finance evidence.

3. Run the building-fit screen before detailed design

The building-fit screen converts architectural facts into hotel consequences. It reviews site access, arrival, drop-off, parking, loading, structure, grid, floor-to-floor height, slab depth, core position, egress, facade, daylight, acoustics, risers, power, cooling, water, drainage, lifts, roof and plant space.

Floor-plate depth and facade rhythm affect how many guestrooms can receive suitable frontage. Structural columns, perimeter geometry and core position determine room repeatability. An

efficient office floor can produce an inefficient hotel when corridors, bathrooms, housekeeping, service lifts, refuge, fire lobbies and mechanical distribution are inserted.

Existing drawings are hypotheses until verified. The diagnostic should reconcile title and authority records, approved drawings, as-built information, operation and maintenance manuals, testing records, previous alterations and observed condition. Intrusive surveys may be required for structure, facade, fire stopping, hazardous materials, drainage and concealed services.

The screen should identify retained, strengthened, replaced and new systems. A retained chiller or facade has value only when capacity, condition, remaining life, compliance, control and future hotel duty are evidenced. Reuse that transfers near-term replacement into operation can overstate development savings.

The output is a building-fit heat map and a range of viable concepts. It should state confidence and survey needs rather than issue a binary conclusion from desktop records.

4. Map change-of-use and operating approvals as one critical path

The conversion cannot be financed safely when approvals are treated as a late design task. The authority map should identify land use, building use, planning, building control, fire and life safety, accessibility, utilities, transport, signage, food premises, alcohol where relevant, environmental, tourism licence and hotel classification.

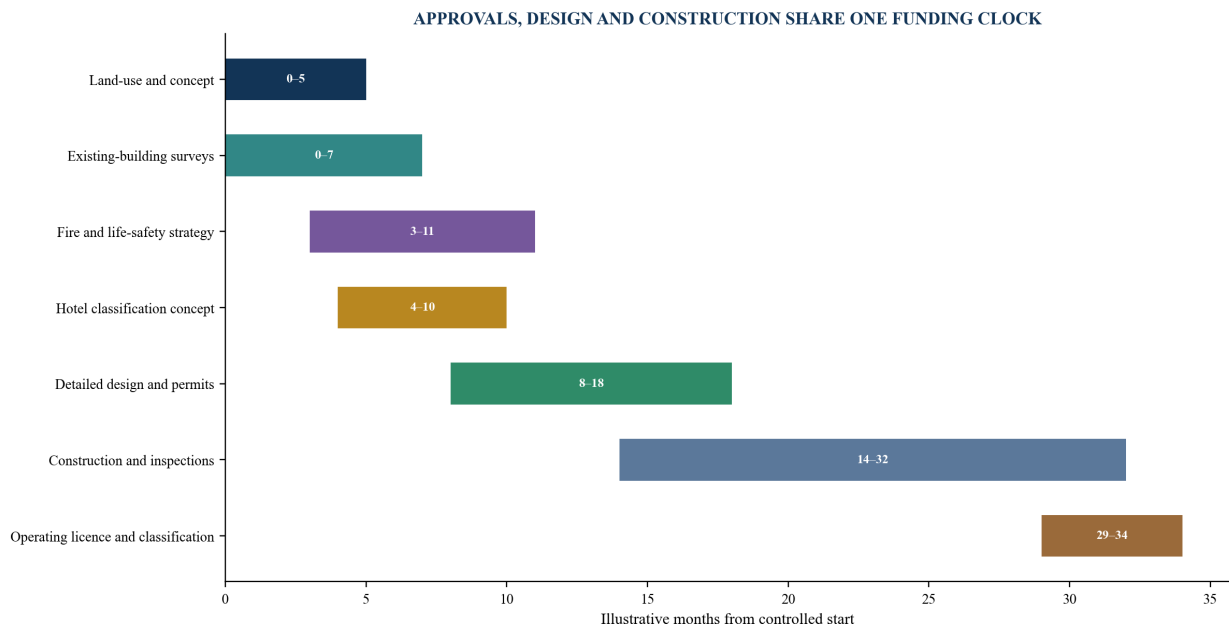
Dubai Department of Economy and Tourism states that approval is required when preparing to convert an existing building into a hotel and that hotels must apply for classification to operate. Dubai Municipality publishes the Dubai Building Code and a circular relating to conversion of residential buildings into hotels. The actual office conversion requires project-specific confirmation with the competent authorities.

Saudi Building Code Application Law states that the code applies to existing buildings in the event of restoration, change in use, expansion or modification. Saudi Ministry of Tourism regulations provide for tourist accommodation licensing and classification. The required category affects physical and operating criteria.

United Kingdom planning guidance provides a global comparator: a material change of use can require planning permission, and other consents may apply. The point is procedural discipline rather than transfer of one jurisdiction's rule to another.

The approval register should state the authority, submission, dependency, design maturity, lead time, validity, fees, conditions, responsible consultant and lender relevance. A preliminary meeting or informal comment remains separate from formal approval.

Figure 2. Illustrative conversion approval critical path



Durations are management assumptions for method demonstration and do not represent authority commitments.

5. Design fire, life safety and accessibility before room yield

Guestroom yield is commercially important. Life safety and accessibility determine whether the yield can operate. A hotel introduces sleeping occupants, twenty-four-hour use, luggage, housekeeping, kitchens, assembly spaces and guests who may be unfamiliar with the building.

Dubai Civil Defence publishes the UAE Fire and Life Safety Code of Practice as a reference for consultants and contractors. Its published FAQ states that hotel bedrooms require defined compartmentation. The current code, authority interpretation, building height, occupancy, mixed uses and proposed design determine the full strategy.

The design should address occupancy classification, compartmentation, fire resistance, detection, alarm, sprinklers, smoke control, escape distances, stair capacity, firefighter access, emergency power, lifts, refuge, kitchens, facade and management procedures. Existing penetrations and fire stopping need verification.

Accessibility extends beyond an accessible bedroom count. Arrival, parking, reception, routes, lifts, guestrooms, bathrooms, restaurants, meeting spaces, pools, signage and emergency planning must form a usable journey under applicable requirements.

The commercial model should preserve the cost and key-count effects of compliant solutions. Moving a stair, adding a riser or creating accessible room geometry can change sellable area. These are design outcomes, not unexplained contingency.

6. Convert gross office area into credible hotel keys

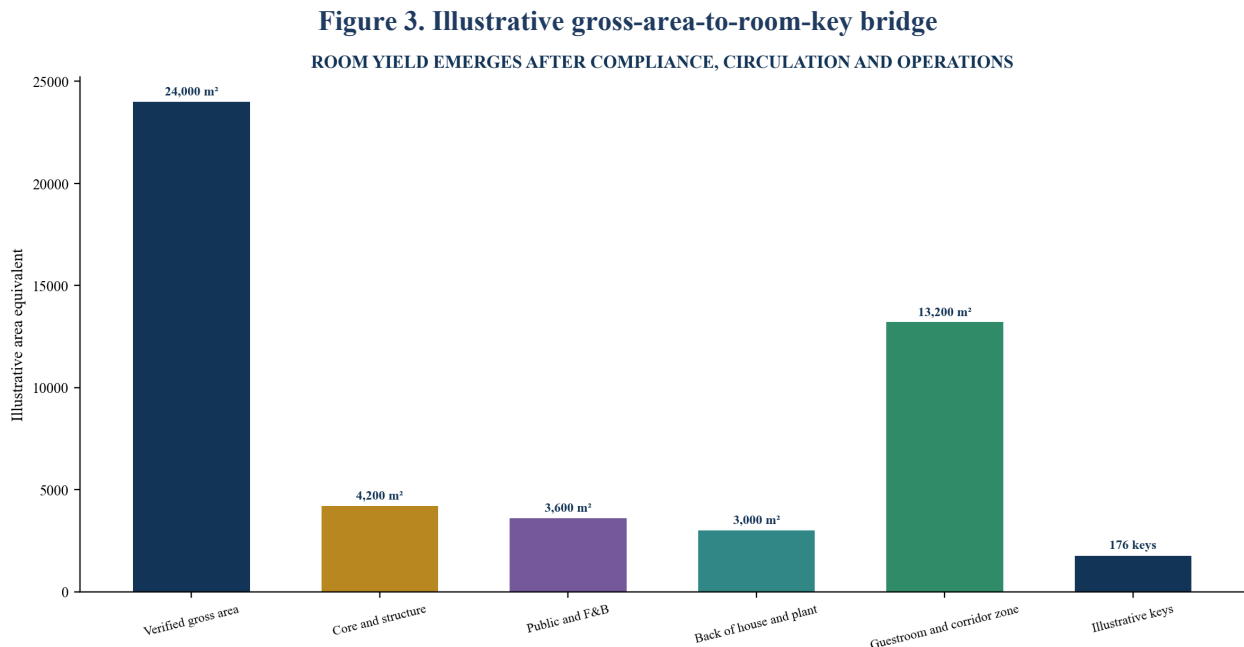
The room-key bridge begins with verified gross floor area. It deducts structure, core, vertical circulation, corridors, risers, fire lobbies, housekeeping, back of house, public areas, food and beverage, meeting space, plant and other non-room uses. The remaining guestroom area is divided by the approved room module and adjusted for irregular floors and accessible rooms.

One key count should not be carried from concept to financing. The model should show a range tied to layout maturity. A desktop test may produce a wide range. A coordinated concept narrows it. Approved detailed design provides a stronger basis.

Key quality matters alongside quantity. Rooms with poor daylight, noise, awkward columns, weak bathroom layouts or long travel distances can reduce rate and guest satisfaction. The plan should classify standard, premium, suite, connecting and accessible inventory.

The bridge also connects keys to operating spaces. A hotel with 180 rooms may need a different kitchen, laundry, loading, staff, storage and meeting solution from the office's existing service strategy. Outsourcing some functions can reduce area while introducing recurring cost and logistics dependency.

The committee should receive gross area, net room area, keys, average room size, efficiency, public-space area and back-of-house area from the same controlled plan. Comparisons to other projects require consistent definitions.



Areas and room counts are management assumptions and do not describe a named building.

7. Build the intrusive-survey and latent-condition strategy

Conversion risk concentrates in what the team cannot see. Record drawings may differ from construction. Services may have been altered. Facade anchors, fire stopping, waterproofing, drainage and reinforcement can require destructive investigation.

The survey plan should be driven by decisions. Structural opening-up tests capacity and alteration feasibility. Facade inspection tests water, air, thermal, acoustic, fire and remaining-life performance. Mechanical and electrical testing assesses capacity, efficiency, condition and controls. Drainage surveys examine new bathroom density and routes.

The plan records access, sample coverage, testing method, reinstatement, safety and interpretation. One successful sample should not be extrapolated across the whole building without a justified sampling basis.

Latent-condition allowance should connect to residual uncertainty. The cost plan identifies surveyed scope, assumed condition, unsurveyed population, plausible consequence and remaining contingency. This allows the lender to see what evidence each design stage has purchased.

Contract strategy also matters. A fixed price cannot transfer risks that bidders cannot define or price rationally. The procurement can use enabling works, provisional sums, defined risk-sharing, target cost or early contractor involvement where appropriate. The chosen approach should remain compatible with lender certainty.

Table 2. Intrusive-survey decision register

Building system	Decision to support	Investigation	Residual financing risk
structure	openings, loading, new stairs and plant	records, scan, exposure and material tests	strengthening scope and programme
facade	retain, repair or replace	access inspection, water, air, fire and thermal review	room comfort, compliance and lifecycle cost
fire stopping	reuse and remediation extent	sampled opening-up and system identification	widespread concealed non-compliance
HVAC	capacity and hotel duty	condition, flow, controls and load modelling	replacement, energy and room comfort
drainage	bathroom and kitchen density	CCTV, capacity, falls and route surveys	riser intervention and occupied-floor disruption
hazardous materials	demolition and refurbishment method	register review and targeted sampling	removal cost, safety and delay

Survey design and conclusions require qualified asset-specific professionals.

8. Price conversion scope through a controlled cost frontier

The cost plan should distinguish base conversion, operator and brand standards, authority compliance, existing-asset remediation, enhancement, contingency, inflation, finance, pre-opening and working capital. A single cost per key hides the drivers most likely to change.

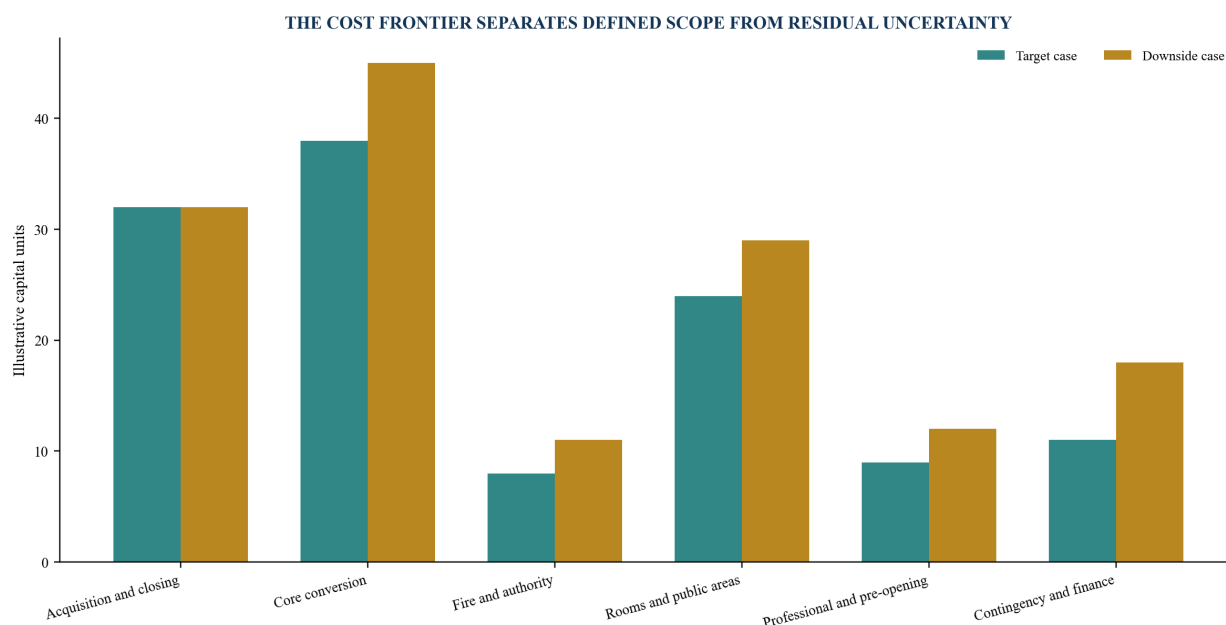
The retained structure and envelope can reduce new construction. They can also require expensive interfaces and temporary works. The model should show avoided demolition and new-build work separately from conversion cost so that reuse benefit remains transparent.

Three estimates are useful. The minimum compliant case supports the approved category and operating concept. The target product case includes the design needed for competitive positioning. The downside case adds plausible latent conditions, delay, procurement stress and weaker reuse.

Cost certainty is tied to design maturity, surveys, authority feedback, market testing and procurement coverage. The lender should see committed, tendered, estimated, provisional and contingent amounts as separate columns.

Value engineering should protect revenue and compliance. Removing acoustics, back-of-house capacity, cooling performance or durable finishes can reduce initial cost while weakening rate, review scores, operating efficiency and lifecycle value. Every material change should show capital, revenue, operating and approval effects.

Figure 4. Illustrative conversion cost frontier



Values are management assumptions for method demonstration, not a cost estimate for a named asset.

9. Underwrite the hotel as a going concern

Hotel finance depends on operating cash flow as well as real estate collateral. The model should build room revenue from available keys, out-of-order rooms, occupancy, average daily rate, channel mix, commissions, cancellations, length of stay and seasonality.

Other revenue can include food and beverage, meetings, wellness, parking, laundry and ancillary services. Each line requires capacity, demand and operating logic. A restaurant open to the public has different economics from a breakfast room serving hotel guests.

Departmental costs, undistributed operating expenses, management fees, franchise or licence fees, fixed charges, insurance, property costs and furniture, fixtures and equipment reserve lead from revenue to cash available for debt service. Definitions should reconcile with the proposed operator agreement.

Dubai's official 2025 tourism data and Saudi Ministry of Tourism hospitality reports can inform destination context. They do not replace an asset competitive set, proposed category, opening pipeline, micro-location, room product, brand and distribution assessment.

The model should use monthly periods through opening and ramp-up. Stabilisation can take longer than the construction period. Interest, working capital and covenant headroom must cover the operating curve rather than begin from a stabilised annual average.

10. Decide brand and operator strategy before freezing design

The brand and operator influence room standards, public areas, technology, distribution, staffing, pre-opening, fees and approval sequence. Late appointment can force redesign or leave the concept without a credible route to market.

The sponsor should compare independent operation, franchise, hotel management agreement, lease and hybrid structures. The choice affects control, operating risk, owner capability, lender comfort and exit buyer universe.

The economic comparison should include application, technical, design, marketing, reservation, loyalty, management, incentive and central-service charges, plus owner-funded standards, key money, guarantees or performance tests where proposed. Definitions and bases must come from the actual term sheet.

Operator selection should test track record in conversions, category, market, pre-opening, distribution, revenue management, cost control, engineering and owner reporting. Brand recognition alone does not establish fit.

Design authority should be mapped. Brand approval, operator recommendation, owner decision, authority approval and lender consent are different rights. The project should avoid committing to a specification that lacks owner economics or approval feasibility.

Table 3. Hotel operating-structure decision matrix

Structure	Owner control	Operating-risk allocation	Financing question
independent management	high, with owner capability required	predominantly owner	is the team and distribution platform credible?
franchise	owner controls operator within brand standards	predominantly owner	do brand contribution and fees support coverage?
management agreement	operator manages under negotiated authority	owner retains business risk	are term, fees, tests, budgets and exit rights bankable?
hotel lease	operating risk shifts under lease terms	tenant, subject to covenant strength	is rent sustainable and tenant credit adequate?
white-label plus brand	roles split between operator and brand	owner with multiple counterparties	are responsibilities and defaults coordinated?
mixed-use operating model	shared systems and allocations	depends on component documents	are cost, access and service rights enforceable?

Commercial terms are transaction-specific and require legal, tax, accounting and financing review.

11. Structure the capital stack around conversion and ramp-up risk

The capital stack can include sponsor equity, senior acquisition and conversion debt, mezzanine or preferred equity, operator or brand support, public incentives and asset-sale proceeds. Each source should have a defined use, priority, conditions, tenor and repayment route.

Senior lenders may require verified title, vacant possession or controlled leases, approved design, fixed or bounded cost, contingency, qualified contractor, operator documents, permits, insurance, valuation, equity invested and cost-to-complete support. Conversion assets may need more equity before technical uncertainty is resolved.

Debt sizing should test loan to cost, loan to value and debt-service coverage. Valuation can use existing use, as-is conversion value, completed value and stabilised hotel value. These are distinct states and may come from different methods and evidence dates.

Interest during construction and ramp-up belongs in the sources and uses. The model also funds pre-opening payroll, marketing, inventory, systems, training, licences and working capital. An unfunded opening can impair a physically complete hotel.

Subordinate capital should not merely fill a spreadsheet gap. Its cash coupon, payment-in-kind accrual, redemption, control rights and maturity can create refinancing pressure before the hotel

stabilises.

12. Design draw conditions around evidence maturity

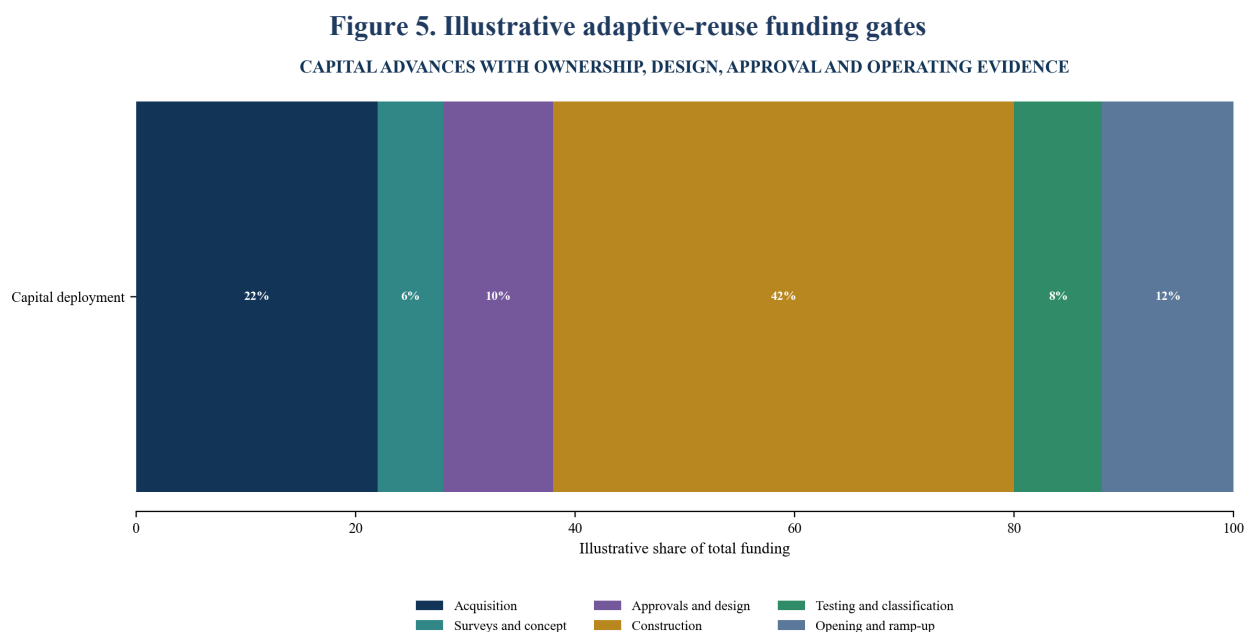
The draw schedule should connect funding to ownership, surveys, approvals, design, procurement, physical progress, cost to complete and operator readiness. Draws based only on expenditure can fund work that does not advance the licensed hotel.

Early draws may cover acquisition and controlled surveys. Design draws can require authority submissions and coordinated operator standards. Construction draws use independent certification, contingency tracking, procurement evidence and updated cost to complete. Pre-opening draws require an approved readiness plan and working-capital budget.

The lender's monitoring package can include change control, survey closures, approval status, contractor position, programme, contingency, brand approvals, room mock-up, key procurement, testing, classification and opening milestones.

Cost overruns need a documented funding waterfall. Sponsor equity, contingency, savings and approved additional debt should have clear priority and evidence. Unapproved value engineering should not be treated as committed funding.

The facility should also address delayed opening, lower key count, operator change, cost increase and weaker stabilised performance. Cure rights and information access are part of the implementation design.



Percentages are management assumptions for method demonstration; actual conditions are lender and transaction specific.

13. Integrate energy, water and embodied-carbon decisions

Adaptive reuse can retain embodied value by preserving structure and materials. The United States Environmental Protection Agency identifies reuse as a way to avoid part of the emissions associated with demolition and new construction. The claim should be tested through a defined lifecycle boundary rather than assumed.

Hotel operation can be more energy and water intensive than office use because guestrooms, hot water, laundry, kitchens, pools, ventilation and twenty-four-hour services have different load profiles. Retaining an inefficient envelope or system can weaken operating cash flow.

United States Department of Energy guidance treats retrofit as an opportunity to improve commercial-building energy performance and recommends modelling and post-retrofit monitoring. IFC's Tourism and Hospitality Development guidelines address resource efficiency, waste, occupational and community health and safety.

The design should establish energy, cooling, water, hot-water, wastewater and waste baselines. Measures can include envelope improvement, heat recovery, efficient cooling, controls, metering, low-flow fixtures, water treatment, renewable generation and commissioning.

The business case separates initial cost, energy demand, tariffs, maintenance, replacement, incentives and guest-experience effects. Savings depend on occupancy and operation. Measurement and verification should continue after opening.

14. Protect guest experience from retained-building constraints

A technically compliant conversion can still underperform if the retained building creates weak guest experience. Noise, glare, temperature variation, poor blackout, low water pressure, slow lifts, awkward corridors and service conflicts can affect rate and reviews.

The room mock-up should test geometry, bathroom, acoustics, lighting, controls, cooling, power, data, finishes, housekeeping and maintenance access. It should use the proposed facade and services where feasible. Approval by the owner, operator, brand, designer and relevant authorities should be recorded separately.

Arrival and public areas need the same discipline. Office entrances can lack luggage handling, queuing, security separation, coach access, taxi flow and an intuitive route to reception. Loading can conflict with guests when back-of-house paths are constrained.

Vertical transport analysis should model guest, staff, housekeeping, food, waste and service movement across peak periods. A key count that overwhelms lifts can reduce operating capacity.

The design-value register links each constraint to guest consequence, revenue or cost, proposed solution, capital and evidence. This makes quality decisions visible during value engineering.

Table 4. Retained-building guest-experience register

Constraint	Guest or operating effect	Evidence test	Investment response
facade acoustics	sleep quality and achievable rate	room mock-up and site noise measurement	secondary glazing, seals or facade intervention
floor-to-floor height	ceiling, services and room perception	coordinated section and mock-up	compact distribution or selective intervention
office lift bank	waiting, housekeeping and service conflicts	peak traffic simulation	controls, zoning or additional service strategy
core and corridor	long travel and weak wayfinding	compliant layout and guest journey review	key reduction, cross-corridor or signage strategy
loading position	guest and waste-route conflict	operational logistics simulation	timed delivery, separated route or external works
existing HVAC	comfort, noise and energy	load, condition and acoustic testing	replacement, zoning and room controls

Product standards and solutions depend on the selected hotel category, operator and authority approvals.

15. Stress the conversion and hotel business together

Construction and operating risks should not be tested in separate models. A six-month delay creates additional finance cost, changes the opening season, extends pre-opening commitments and shortens the period before debt maturity. A lower key count reduces revenue and can increase cost per key.

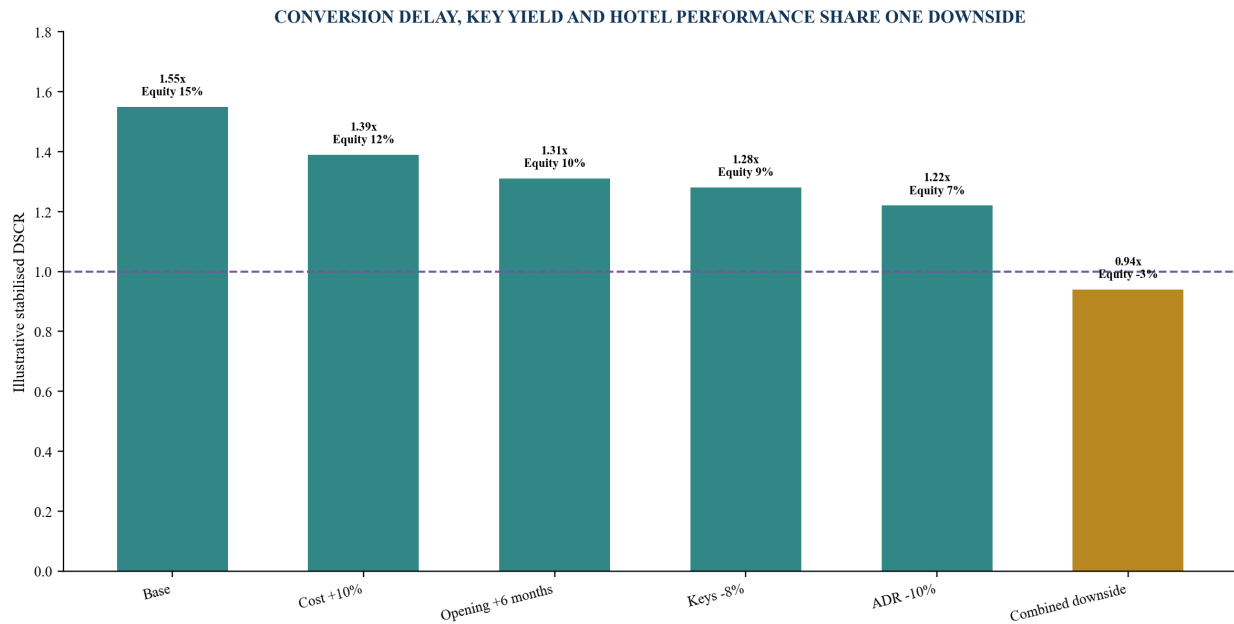
The integrated downside case can vary acquisition delay, approval duration, retained-asset failure, conversion cost, programme, key count, occupancy, rate, channel cost, payroll, utility tariffs, management fees, reserve and exit yield.

Correlations matter. A more severe latent condition can cause cost and delay. Delay can push opening into a weaker season. Weak opening can lengthen stabilisation. Longer stabilisation can increase working-capital and refinancing need.

The committee should see minimum liquidity, peak equity, interest cover, debt-service coverage, covenant date, refinancing balance and equity return under each case. A case that requires all adverse variables to move independently can understate risk.

Management actions should be modelled only when they have a mechanism, authority and timing. Reducing price, phasing public areas or changing operator can affect demand and approvals. A generic savings line is not a mitigation.

Figure 6. Illustrative integrated conversion downside



Values are management assumptions used solely to demonstrate linked construction and operating stress.

16. Choose procurement around interface and uncertainty

Adaptive reuse contains interfaces between retained and new work. The procurement model should allocate responsibility for surveys, design, authority submissions, operator standards, latent conditions, testing and commissioning.

Early contractor involvement can improve buildability, sequencing, temporary works and market testing before price commitment. A design-and-build route can consolidate responsibility if the employer's requirements and retained-asset information are mature. Construction management can preserve package flexibility while increasing sponsor coordination responsibility.

The tender information should state known condition, survey coverage, design responsibility, reliance, exclusions, provisional scope and change process. Ambiguity can appear as a low tender and return as claims.

Operator and brand advisers should participate at defined gates. Their input should not create uncontrolled instructions to the contractor. One design authority and change register should preserve cost, programme and approval effects.

The contractor assessment should test live retrofit and hotel experience, financial capacity, specialist supply chain, occupied-building controls where relevant, commissioning and records. Programme credibility requires resources and long-lead evidence.

17. Build opening readiness into the development programme

Physical completion is one input to hotel opening. The opening plan also requires operating licence, classification, fire and authority sign-off, operator mobilisation, recruitment, training, systems, distribution, sales, procurement, testing, inventory and working capital.

The critical path should include model-room approval, brand systems, property-management system, reservations, revenue management, payment processing, cybersecurity, food safety, water safety, emergency plans, supplier onboarding and guest-service rehearsals.

IFC hospitality guidance highlights environmental, occupational and community health and safety. Current IFC hotel disclosures also illustrate attention to fire and life safety, food, water, worker and community risks. The asset's obligations depend on applicable law, finance standards and project documents.

Soft opening assumptions should be explicit. Limited keys or outlets can reduce initial complexity, while creating lower revenue and duplicated mobilisation. The lender needs a cash and compliance view of each phase.

The readiness dashboard should show licence, classification, life safety, guestrooms, public areas, systems, people, suppliers, sales and cash. Each item has evidence and an accountable owner.

Table 5. Hotel opening-readiness register

Readiness stream	Evidence gate	Cash consequence	Decision owner
licence and classification	formal approvals and completed inspections	opening date and permitted inventory	owner and authorities
fire and life safety	testing, certification and emergency procedures	occupancy and insurance	qualified team and authority
rooms and public areas	snag, cleaning, systems and approved inventory	sellable keys and guest satisfaction	operator and owner
people	recruitment, visas, training and rosters	payroll before revenue	operator
technology and distribution	tested systems, rates, channels and controls	booking and cash collection	operator and owner IT
working capital	approved budget, accounts and funding	uninterrupted ramp-up	owner and lender

Required evidence varies by jurisdiction, operator, brand, classification and financing.

18. Run a ten-day adaptive-reuse finance diagnostic

A rapid diagnostic can determine whether an office building deserves further conversion capital. The scope should combine technical, approval, market, operator, cost and financing evidence.

Days one and two confirm title, occupancy, possession, existing use, records, sponsor thesis and financing objective. Days three and four screen structure, grid, core, facade, services, fire, accessibility, arrival, loading and key yield.

Days five and six map approvals, hotel classification, concept, competitive set, operator route, capital cost and intrusive-survey needs. Days seven and eight build sources and uses, monthly hotel ramp-up, downside cases and lender information needs.

Days nine and ten produce a conversion heat map, room-key bridge, approval critical path, cost frontier, operating case, capital options, evidence budget, stop conditions and ninety-day plan.

The paid deliverable should state record gaps, survey limitations, authority dependencies and management assumptions in reader-friendly language. It is a capital-allocation diagnostic, not a substitute for design, market, valuation, legal or lender diligence.

19. Operate a ninety-day adaptive-reuse finance office

The first thirty days establish the controlled data room, building survey plan, authority engagement map, test fits, hotel concept, operator brief, initial cost plan and financing case. Early expenditure purchases evidence that can close or redirect the opportunity.

Days thirty-one to sixty coordinate intrusive surveys, fire and life-safety concept, services strategy, room mock-up brief, brand or operator proposals, procurement input, cost testing and lender engagement. Decisions are logged against key yield, capital, schedule and cash flow.

Days sixty-one to ninety select the preferred conversion route and produce an approved development brief, authority plan, operator path, procurement strategy, cost and contingency, sources and uses, draw logic, risk register and committee paper.

A recurring office can then manage design-to-finance reconciliation, authority and operator gates, cost and programme changes, lender reporting and opening readiness. It supports accountable parties without assuming their statutory, design, valuation, operator or credit authority.

Table 6. Ninety-day adaptive-reuse finance office

Phase	Core output	Decision supported	Measurable completion test
days 1 to 30	records, thesis, test fit, survey and approval plan	spend, stop or advance	key evidence gaps have scope, cost and owners
days 31 to 60	coordinated concept, investigations, operator and cost evidence	select viable product and capital route	key yield, scope and downside reconcile
days 61 to 90	development brief, financing case and implementation plan	approve conversion and market engagement	committee case is sourced, funded and gated
recurring mandate	design-to-finance and opening-control office	protect capital through delivery	changes and exceptions close to approved cadence

The sequence should be adapted to asset condition, access, approvals, procurement and capital timing.

20. Package advisory work around funded conversion decisions

An adaptive-reuse diagnostic can support an owner considering acquisition, repositioning, refinancing, conversion or disposal of an underused office. The paid outcome is a decision-grade view of building fit, approvals, room yield, capital cost, hotel cash flow and financing gaps.

A recurring adaptive-reuse finance office can coordinate owner, architect, engineers, fire consultant, hotel adviser, operator, cost manager, contractor, lender and counsel. Deliverables can include the evidence room, conversion heat map, authority tracker, design-to-cost bridge, operator comparison, monthly model, capital stack and committee materials.

A transaction mandate can support capital raising, lender materials, operator or brand process, term-sheet comparison, diligence, stakeholder coordination and closing. Scope, compensation, conflicts, permitted activity and success events should be documented under the applicable framework.

Commercial qualification should establish control of or a credible route to the asset, senior decision owner, verified records access, live conversion or financing decision, professional team,

budget and timetable. A general interest in hospitality without asset control and paid authority remains a lead rather than mandate evidence.

The investable proposition is disciplined reuse. It retains building value where evidence supports retention, funds conversion risk explicitly and underwrites the hotel as a licensed operating business. That discipline gives sponsors and capital providers a clearer basis to stop, redesign, finance or execute.

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