

Sahel Overview

Overview

Sahel is a favored destination for Egyptians and tourists. A gorgeous seaside with upscale tourist villages. The weather is usually milder than the Red Sea in summer, with plenty of luxury compounds, great for escaping the more noisy areas. The Mediterranean Sea permits a great deal of water sports and relaxation on the shores. The more iconic locations in Sahel is the well-known resort town of Marina, often favored by the Egyptian elite. Sahel is considered one of the most popular destinations for the A class summer travelers to enjoy their vacation in a high community level



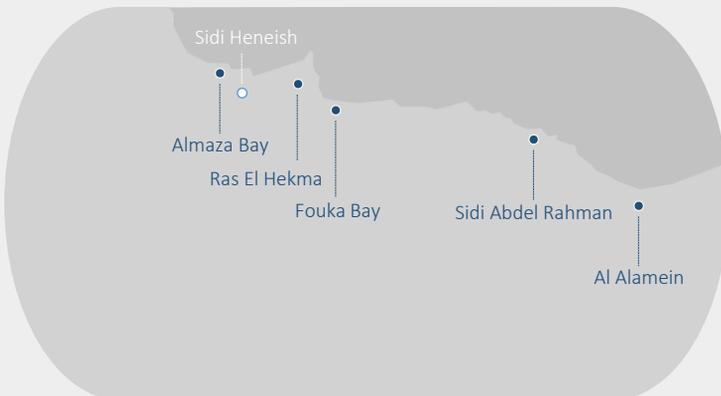
2010

120 Projects
65K+ Units
260K+ Capita

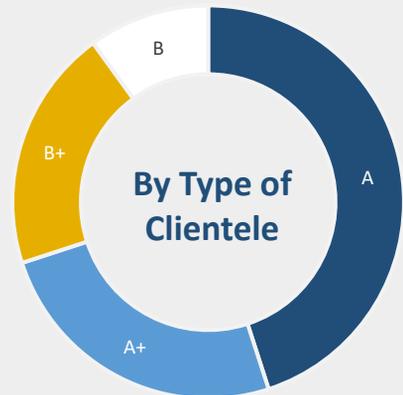
2017

155+ Projects
85K+ Units
340K+ Capita

Areas in High Demand



Clientele Breakdown



Top 10 Developers



PALM HILLS
DEVELOPMENTS



EMAAR



SODIC



MOUNTAIN VIEW



روديا
GROUP



الأهلي
للتنمية
العقارية
AL AHLY FOR REAL ESTATE DEVELOPMENT



ARCO



TATWEER MISR

INERTIA



HASSAN ALLAM
PROPERTIES

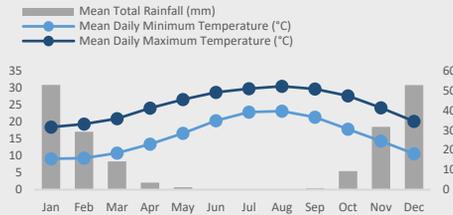
Sahel Destination Analysis

Market Analysis

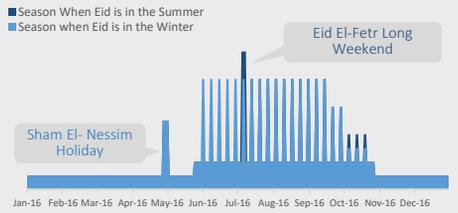
Seasonality

Sahel is considered a seasonal destination given its weather conditions...

Weather in Sahel



Flow of Sahel Goes in the Season



↑ Prices

...and since profits for developers is affected by the seasonality factor, prices increase significantly to compensate their investment cost...

↑ Land Prices

Land owners (government or private) tend to sell lands in Sahel to private developers at a high price given the uniqueness of the idea of 'owning' a beach front land...

↓ Rent Model

...which drive developers to eliminate the idea of renting the developed properties given the long payback period they will encounter post paying significant investment costs...

↑ Selling Model

...therefore, developers activate the selling model over the rent approach at high prices to balance their cash flow against the acquisition price they closed at

↓ Supply

...creating shortage in supply of "affordable" units available for sale, which leave the major community (B class) shorthanded since most target clientele in coastal resorts are A class community...

↑ Demand

High demand from B class community on the destination searching for any property within their means

↑ Unit Prices

Property Type	Unit Price (EGP Million)
Chalet	2.5
Town House	5.5
Standalone Villa	9.5

Result

- Stay at relatives' houses
- Crash at friends' places
- One day trip

↑ Gap

...leading to, despite high demand, a shortage in units available for rent given the low publicity on rental units and limit in supply of hospitality units given that most properties are 5 stars hotels...

Hospitality / Rental Properties of All Properties Available

2%

S A H E L

90%

G O U N A

100%

S H A R M

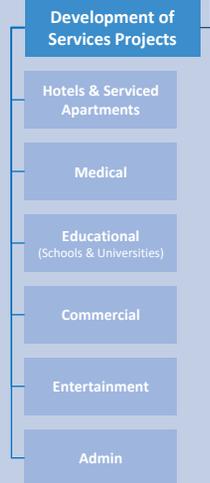
All Year Round

...therefore, the private and public sector have an obligation to prepare Sahel to be an all year round destination in order to utilize all area resources through implementing diversified projects to accommodate for that change...

Governmental Sector Obligations



Private Sector Obligations



The destination has not been considered as a first home yet and not expected to be, in the near future at least, given the rare job opportunities, weather in the winter, shortage in services (such as hospitals, schools, universities) in the area. This leads to limited investment opportunities other than the summer season unless the government and the private sector contribute to make a solid change in the area

For more details, please contact | **Ashraf Warida, CEO**

Email | ashraf.warida@cb-egypt.com

Tel | +2010 2555 6673

Website | www.cb-egypt.com