



Land Tendered by the Egyptian Government in 2016



January 2017

www.invest-gate.me

INVEST GATE

THE VOICE OF REAL ESTATE

Tendering Authorities

Ministry of Housing

Miscellaneous Land Tenders

The Minister of Housing, New Urban
Communities Authority, General Au-
thority for Investment

Information in this report is based on official announcements by both developers and the Egyptian government. All figures and facts obtained through news mediums have been confirmed from at least two different sources. This text is intended solely for general market evaluation purposes. Any decisions based on conclusions from this document is the sole responsibility of the reader. Reproduction of any part of this document is prohibited without written consent.



Lands acquired for all types of projects nationwide are handed over through large tenders proposed by government entities to sell off their large land banks to investors. For every land plot tendered, a particular activity is designated for the investor, whereby any deviation from the originally intended purpose leads to punitive measures. Residential and tourism projects are the more common type, while commercial, service and industrial projects follow closely behind.

The Egyptian government has also begun focusing on social housing projects, the scheme of which has been incorporated in the country's recent tenders. In one example of the government's dedication to social housing, over 60% of the land plots tendered in the supplementary draw in July were earmarked for

social housing projects. As one of the more resilient sectors in Egypt, the Egyptian government is working towards strengthening the role of the real estate industry in boosting the country's economy.

In an effort to streamline the process and to make it more profitable, the Board of New Urban Communities Authority (NUCA) agreed to establish a company dedicated to handling all matters in relation to land investment throughout the country. The new company will serve as the arm of the state for property investment development.

Over the course of 2016, the Egyptian government has offered thousands of pieces of land for sale in land tenders across several governorates and new cities.

Tendering Authorities

In Egypt, there are three different authorities overseeing all land tenders. For residential and commercial lands, the Ministry of Housing, Utilities, and Urban Communities, often represented by NUCA, handles land tenders. The Tourism Development Authority (TDA) is responsible for tourism investment projects

while the General Authority for Investment and Free Zones (GAFI) is in charge of lands related to investment projects.

The Ministry of Housing, Utilities, and Urban Communities.

In July 2016, the Ministry of Housing offered 57,474 plots of land in a supplementary land draw. The public offering included all three types of land--distinctive, premium and social housing--across the following cities: 15th of May, 6th of October, Shorouk City, Obour, New Cairo, New Damietta, New Akhmim, New Aswan, Sadat City, 10th of Ramadan, New Fayoum, New Nubaria, Badr, New Minya, New Borg El Arab, New Beni Suef, New Sohag, New Thebes, New Assiut, New Salhiya and New Qena.

Within the distinctive lands scheme, a total of 6,188 plots were offered, while the privileged and social housing lands had 16,445 and 34,841 plots available, respectively.

Approximately 3,000 to 4,000 land plots are expected to be offered in the first quarter of 2017 for the Beit Al Watan project targeting Egyptians abroad.

Cairo

Across Cairo, various cities saw land plots tendered by the government, with sizes ranging between 2,209 square meters and 21,500 square meters. Lands offered were classified into Distinct Housing, Privileged

Housing, and Social Housing. For the Distinct Housing, Obour City had 302 pieces of land offered, 15th of May City had 95, and New Cairo had 6,991 pieces offered.

Land earmarked for Privileged Housing totalled 5,687 for 10th of Ramadan City, 1,034 plots for Sadat City, 2,654 plots for Badr, and 898 plots for New Burj Al Arab City.

A public land lottery was held in December to allocate various pieces of land across various cities as part of the social housing program. Land offering were distributed as follows: around 9,415 land plots in Sadat City, 17,700 plots in 10th of Ramadan City, 1,999 plots in Badr City, and 325 plots in New Tiba. In addition, NUCA offered 278 land plots to be tendered in Sadat City.

6th of October

In 6th of October City, about 5,145 pieces of privileged land and 1,767 pieces of social housing land were offered, both in a public land tender. All pieces of land offered ranged between 2,209 and 21,500 square meters in size.



Damietta

A total of 195 land plots were offered for residential developments in New Damietta City, of which 190 plots have been sold. Land plots were offered by the Ministry of Housing and their sizes range between 1,000 and 1,200 square meters.

New Sohag City

New Sohag City has 277 pieces of land offered for the privileged housing scheme and 3,013 pieces for social housing. Land sizes range between 2,209 and 21,500 square meters.

Fayoum City

In New Fayoum City, about 41 pieces of land were offered as part of the privileged housing scheme, where land plots range between 2,209 and 21,500 square meters in size.

Beni Suef

In New Beni Suef City, about 746 pieces of privileged housing land were offered with land sizes ranging between 2,209 and 21,500 square meters. Public service land is priced at EGP 3,800 per square meter.

Aswan

About four plots of land were offered in public land tenders for privileged land housing, sizes ranging between 2,209 and 21,500 square meters. In addition, about 5.67 mn square meters of land (1,400 acres) are to be offered in public land tenders for investment purposes.

Assiut

A total of 469 pieces of land were offered in a public land tender as part of the social housing scheme. Land sizes range between 2,209 and 21,500 square meters in size. In addition, around 66,000 square me-

ters of land were offered to investors through the one window system by the Assiut Governorate, in cooperation with the Ministry of Investment.

Sharqeya

In New Salhiya City in Sharqeya governorate, about 382 pieces of land were offered in a public lottery as part of the social housing scheme. Land sizes varied between 2,209 and 21,500 square meters.

Qena

In December, about 1,540 pieces of land were offered in a public lottery in New Qena City in the Qena governorate. The land sizes vary between 2,209 and 21,500 square meters.

Red Sea

The Red Sea governorate offered 1.537 mn square meters (380 acres) of land to be tendered in August in cities of Hurghada and Marsa Alam. About four plots of land with total area of 404,686 square meters (100 acres) were offered in a public tender in the cities of Hurghada and Al Qusair.

Behira

In Wadi Al Natroun City in Behira governorate, three plots of land earmarked for investment purposes were offered in a public land tender, total land size of 137,593,118 square meters with land sizes varying between 16,187,426 and 101,171,411 square meters. An additional piece of land will also be tendered in Wadi Al Natroun for a total square area of 12,140,569 square meters. The four pieces of land are offered by the Government Services Authority.

Giza

Approximately, 261,832 square meters (64.7 acres) of investment land will be offered next year in a public land tender in Giza, Egypt.

Miscellaneous Land Tenders

A total of 112,000 acres from the 1.5 mn acres land reclamation project was offered in a public land tender in September.

Through the single investment window, eight plots of land were tendered in a public auction in Daqahlia governorate in cities of Mansoura, Meit Ghamr, Sana-belwen, Aga, and Menya Alnasr.

A public land tender held by NUCA offered 345 plots of land in new cities through the one-stop shop system to be auctioned over two phases. The first land auction will feature 226 plots with areas ranging from 500 to 91,000 square meters across 22 new cities. The second land tender will offer 119 plots of land with sizes ranging between 405 square meters up to 17,700 square meters.



In the Suez governorate, approximately 47,000 square meters will be allocated for residential and tourism projects by Suez Housing Committee.

About 158,000 square meters is expected to be offered in public land tender in 2017 in Fayoum, where land is earmarked for residential and service projects.

Approximately 19,500 acres of land were auctioned in a public land tender in October; this auctioned land has been recovered by the state.

Additionally, 2,500 acres of land in new cities will be offered in a public land tender in January by the Ministry of Housing, Utilities, and Urban Communities.

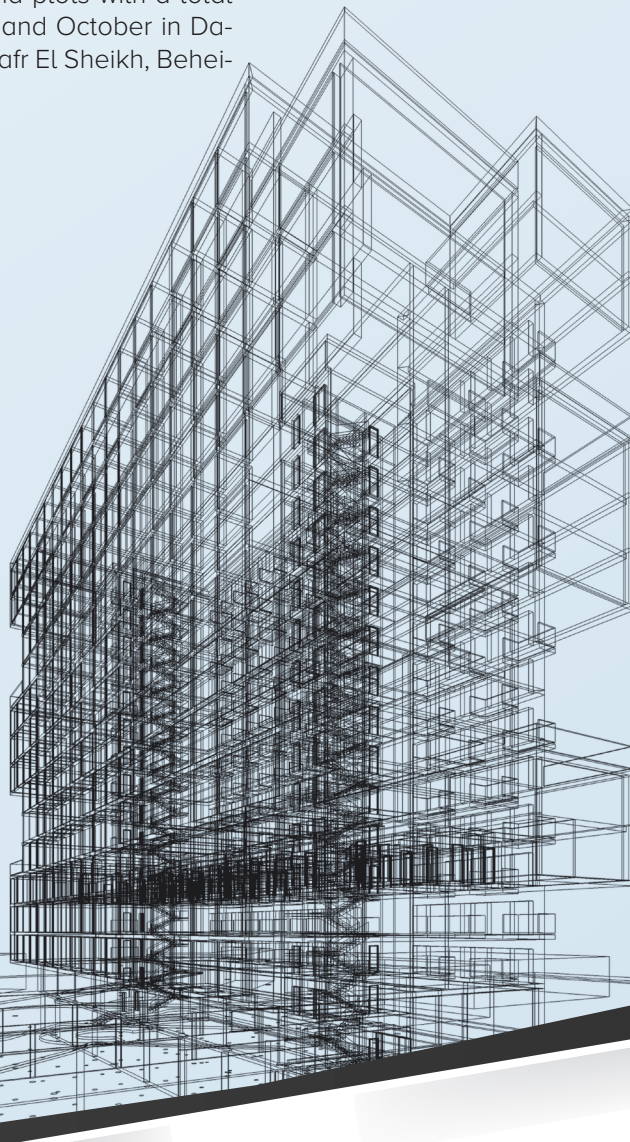
The Minister of Housing, New Urban Communities Authority, General

Authority for Investment

The General Authority for Investment and Free Zones (GAFI) was set to allocate 198 land plots with a total area of 33.8 acres in September and October in Dakahlia, Giza, Port Said, Fayoum, Kafr El Sheikh, Beheira and the New Valley.

Conclusion

The second half of 2016 has witnessed a significant leap forward in terms of land investment, indicates the significant attention the Egyptian government is giving to the real estate sector. Most lands offered by the housing ministry and NUCA are focused on residential and commercial projects, while TDA's land offerings are aimed at encouraging tourism investment throughout coastal areas in the country. The Egyptian government has recently prioritized resolving the lack of supply of low income housing projects, with plots for social housing in the second half of 2016 accounting for almost 40% of all plots.





/investgate



www.invest-gate.me

INVEST  GATE

THE VOICE OF REAL ESTATE