INVESTIGATE

RESEARCH & ANALYSIS

MARKET WATCH

BY **DINA EL BEHIRY**

JUNE
2021

GOV'T FOOTSTEPS

IN PROPERTY MARKET

GOV'T FOOTSTEPS IN PROPERTY MARKET

GOV'T ACCOMPLISHMENTS IN UPPER EGYPT

Time Period
Since **2014**

Target
Develop Upper Egypt governorates
Achieve comprehensive economic & social development

Total Investments
EGP **83** bn

INVESTMENT BREAKDOWN

Road Sector
Implement **931** km main & internal roads

Informal Development Sector
Develop **94** areas with **36,869** housing units

EGP **21.057** bn
EGP **11.893** bn
EGP **5.504** bn
EGP **390.5** mn
EGP **43.595** bn

Housing Sector
130,892 Units

Services Sector
526 Service buildings

Utility Sector
Execute **271** projects

DEVELOPMENT METHODS

1st Existing cities development projects — EGP **45.7** bn

2nd Implement various projects in new cities — EGP **26** bn

3rd Execute projects in 4th generation cities — EGP **11.2** bn

PUBLIC INVESTMENTS

Time Period
Since **2014** To Present

Target
Execute development projects

ASSIUT, NEW ASSIUT & NEW NASSER CITIES

Total Investments
EGP **17.307** bn

INVESTMENT BREAKDOWN IN ASSIUT

Investments
EGP **10.156** bn

*Several Projects Executed to Develop Villages, Unsafe Areas & Housing Rehabilitation

56 No. of Executed & Underway Potable Water & Sanitation Projects

No. of Executed Units in Social Housing **8,233**

19 No. of Developed Youth Centers

No. of Social Service Centers **7**

Road Networks

Dayrout- Farafra Axis
310 km | EGP **1.715** bn

The Western Assiut Plateau Axis
22.6 km | EGP **1.44** bn

Source: Ministry of Housing, Utilities & Urban Communities & New Urban Communities Authority (NUCA).

INVESTMENT BREAKDOWN IN NEW ASSIUT

Investments
EGP **4.371** bn

Investments (EGP/bn)

No. of Housing Units	No. of Service Centers
16,092 | 1.733	126 | 0.546

Investments of Road Networks	Infrastructure Investments
0.762	1.330

INVESTMENT BREAKDOWN IN NEW NASSER

Investments
EGP **2.780** bn

Investments (EGP)

No. of Housing Units	No. of Service Centers
4,224 | 1.28 bn	6 | 40 mn

Investments of Road Networks	Infrastructure Investments
750 mn	710 mn

LUXOR & NEW TEBA CITIES

Total Investments
EGP **4.743** bn

INVESTMENT BREAKDOWN IN LUXOR

No. of Developed Unsafe Areas
13

No. of Executed Housing Units
13,900

Total Length of Road Projects
18 km

No. of Under Development Villages
14

No. of Executed & Underway Potable Water Projects
11

No. of Executed & Underway Sanitation Projects
12

INVESTMENT BREAKDOWN IN NEW TEBA

Investments
EGP **1.567** bn

Investments (EGP/mn)

No. of Executed Housing Units	
6,912	895

No. of Executed Service Centers	
40	230

Investments of Road Networks
112

Infrastructure Investments
330

Source: Ministry of Housing, Utilities & Urban Communities & NUCA.

MINYA, NEW MINYA & NEW MALAWI CITIES

Total Investments
EGP **14** bn

INVESTMENT BREAKDOWN IN MINYA

No. of Housing Units	**9,498**
Total Length of Road Networks	**258.1 km**
No. of Developed Unsafe Areas	**8**
No. of Potable Water Projects	**10**
No. of Service Centers	**33**
No. of Sanitation Projects	**18**

INVESTMENT BREAKDOWN IN NEW MINYA

Investments
EGP **6.110** bn

	Investments (EGP)
No. of Housing Units	**32,010** | **2.918** bn
No. of Executed Service Centers	**92** | **377** mn
Investments of Road Networks	**694** mn
Infrastructure Investments	**2.121** bn

INVESTMENT BREAKDOWN IN NEW MALAWI

Investments
EGP **590** mn

No. of Housing Units	Total Length of Road Networks
1,024	**95 km**

FAYOUM & NEW FAYOUM CITIES

Total Investments
EGP **4.306** bn

INVESTMENT BREAKDOWN IN FAYOUM

No. of Executed Housing Units	No. of Potable Water Projects	No. of Sanitation Projects	No. of Under Development Villages
6,945	**5**	**11**	**24**

Source: Ministry of Housing, Utilities & Urban Communities & NUCA.

INVESTMENT BREAKDOWN IN NEW FAYOUM

Investments
EGP 1.545 bn

Investments (EGP/mn)

No. of Housing Units	1,836 | 340
No. of Executed Service Centers	15 | 200
Investments of Road Networks	280
Infrastructure Investments	725

BENI SUEF, NEW BENI SUEF & NEW FASHN CITIES

Total Investments
EGP 7.7 bn

INVESTMENT BREAKDOWN IN BENI SUEF

No. of Executed Housing Units	18,972
No. of Developed Unsafe Areas	16
No. of Service Centers	7
Total Length of Road Networks	15 km
No. of Potable Water Projects	5
No. of Sanitation Projects	7
No. of Under Development Villages	35

INVESTMENT BREAKDOWN IN NEW BENI SUEF

Investments
EGP 3.503 bn

No. of Housing Units	5,304
No. of Executed Service Centers	21

INVESTMENT BREAKDOWN IN NEW FASHN

Investments
EGP 358 mn

No. of Housing Units	512
No. of Executed Service Centers	4

Source: Ministry of Housing, Utilities & Urban Communities & NUCA.

SOHAG, NEW SOHAG & NEW AKHMIM CITIES

Total Investments
EGP **11.576** bn

INVESTMENT BREAKDOWN IN SOHAG

No. of Executed Housing Units
13,594

No. of Developed Unsafe Areas
13

No. of Service Centers
8

Total Length of Road Networks
94 km

INVESTMENT BREAKDOWN IN NEW SOHAG

Investments
EGP **5.017** bn

No. of Executed Housing Units	No. of Underway Housing Units	No. of Service Centers
7,656 (Social Housing)	**672** (28 Buildings)	**48**

INVESTMENT BREAKDOWN IN NEW AKHMIM

Investments
EGP **772** mn

No. of Executed Housing Units	No. of Service Centers
2,432 (Social Housing)	**17**

"HAYAT KAREEMA" INITIATIVE

Target
Develop Egypt's countryside
Provide decent life for inhabitants

Current Phase
Utility projects/ Service projects

Location
51 centers at
20 governorates

Scheduled Projects
480 Bridges
(**310** bridges for cars & **170** pedestrian bridges)

These Projects include:

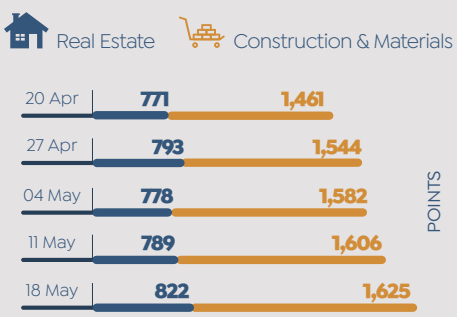
99	136	245
Upgrading efficiency	Replacement	New construction

PRICES OF CONSTRUCTION MATERIALS (APRIL 2021) (EGP)

STEEL BARS	CRETAL STEEL	PORTLAND CEMENT	COARSE SAND
(per ton) **13,600** (YOY 41.7%)	(per ton) **14,300** (YOY 45.9%)	(per ton) **810** (YOY -1.2%)	(per sqm) **75** (YOY 7.1%)

SOLID CEMENT BRICKS	BRICK HOLLOW CONCRETE
(per 1,000 bricks) **1,050** (YOY -4.5%)	(40x20x12 cm) (per 1,000 bricks) **6,800** (YOY 30.8%)

REAL ESTATE & CONSTRUCTION STOCK MARKETS INDEXES PERFORMANCE IN EGYPT (2020)



ONLINE MONTHLY SURVEY (%)

As a resident, do you prefer forming an occupants union to run your residential building or compound or leave it under the compound's developer management?

18.2% Occupants Union

81.8% Management of The Developing Company

Source: Ministry of Housing, Utilities & Urban Communities, NUCA, Egyptian Exchange (EGX) & Invest-Gate R&A.

NEW CITIES
UPDATE

NEW CITIES UPDATE

PLOTS ALLOCATION

10 New cities (Names N/A)
LOCATION

17
TOTAL NO. OF ALLOCATED LAND PLOTS

Various activities; including school- nursery- indusrial- commercial administrative -medical- entertainment)
TARGET

PLOTS BREAKDOWN

No. of Plots | Area | Target

New Cairo	Shorouk	New Damietta	New October	Badr
2 | 11,197 m²	2 | 11,027 m²	1 | 462 m²	3 | 43,866 m²	2 | 4,949 m²
Car service station- Administrative project	School- Nursery	Commercial administrative	Commercial administrative - Industrial	Commercial administrative

Sheik Zayed	New Borg Al Arab	New Sohag	NAC	New Qena
1 | 997 m²	2 | 11,208 m²	1 | 4,700 m²	1 | 4,266 m²	2 | 7,411 m²
Medical	Commercial administrative - Industrial	Commercial administrative	Commercial administrative	Building warehouse - Entertainment area

R5 DISTRICT UPDATE

NAC
LOCATION

885 Acres
AREA

Continue work in full swing to avoid delays
STATUS

93%
COMPLETION RATE

TOTAL NO. OF UNITS

23,000 (Residential- Villas- Commercial)

295 Residential buildings

105 Villas

175 Town houses & Twinhouses

11 Mixed residential towers

96 Mixed residential buildings

Source: NUCA & New Capital Development Authority.

R3 DISTRICT UPDATE

NAC
LOCATION

1,016 Acres
AREA

Continue work in full swing to avoid delays
STATUS

92%
COMPLETION RATE

TOTAL NO. OF UNITS

24,130

697 Housing buildings →**19,944** Housing units

328 Villas→ **328** Housing units

157 Town houses→ **624** Housing units

64 Mixed residences →**2,560** Housing units

9 Mixed residential buildings →**674** Housing units

151,360 m^2 Commercial administrative project

UPDATES ON ICONIC TOWER

Central Business District (CBD), NAC
LOCATION

USD **3** bn
INVESTMENTS

400 m
HEIGHT

74
NO. OF EXECUTED FLOORS → **360** m HEIGHT

20
TOTAL NO. OF TOWERS

DAR MISR (PHASE I)

New Cairo
LOCATION

792
NO. OF READY-TO- DELIVER UNITS

June 6, 2021
UNITS HAND OVER START DATE

July 28, 2021
UNITS HAND OVER DEADLINE

FIFTH RESIDENTIAL NEIGHBORHOOD

New Garden City
LOCATION

885 Acres
AREA

STATUS

Ministry of Housing inspects work progress

Follow up on utility services in gov't district

SUPPLY VOLUME

385 Residential buildings	**21,494** Housing units
513 Commercial units	Religious services
Educational services	Entertainment services
Commercial areas	Sports facilities
456 Connected, semi-connected & separate villas	

Source: Ministry of Housing, Utilities & Urban Communities & New Capital Development Authority.

JANNA

New Mansoura City
LOCATION

11,232 (468 Buildings)
NO. OF UNDERWAY HOUSING UNITS

Completion Rate: **93%**

1,149 (separate – connected – semi connected)
NO. OF UNDERWAY VILLAS

CORNICHE (1ST PHASE)

New Mansoura City
LOCATION

4.2 km
LENGTH

Ministry of Housing reviews the final touches for the completion of the 1st phase
STATUS

SUPPLY VOLUME

- Walkways
- Cafeterias
- Bicycle lane
- Reading Area
- Kids area

SAKAN MISR

New Mansoura City
LOCATION

4,704 (196 buildings)
NO. OF HOUSING UNITS

Completion Rate: **95%**

UPDATES ON COASTAL TOWERS

New Alamein City
LOCATION

8 (Phase II)
NO. OF UNDERWAY TOWERS

STATUS

- Some of phase II towers reached 5th floor
- Finishing works of **15** towers (phase I): underway
- **5** Residential towers to be executed in **45**M on an area of **465,000** m^2
- **4** Towers to be executed in **39**M with heigh of **200** m (**56** floors) & on an area of **320,000** m^2
- Finishing works of entertainment area: underway

OCTOBER GARDENS UPDATE

EGP **482** mn (during Ramadan)
INVESTMENT PLAN VALUE

981 (Social Housing- Dar Misr- Sakan Misr)
NO. OF DELIVERED UNITS DURING RAMADAN

25,000 (Housing for all Egyptians Initiative)
NO. OF UNDERWAY UNITS

74
NO. OF UNDERWAY TOWERS

Source: New Urban Communities Authority for The Development & Urbanization, Ministry of Housing, Utilities & Urban Communities & October Gardens Development Authority.

PRIVATE REAL ESTATE PROJECTS
UPDATE

Private Real Estate Projects Update

NEW RESIDENTIAL PROJECTS

BOTANICA

Developer: The New Generation Real Estate Development

LOCATION	AREA	TARGET SALES
R7 District, NAC	**23** Acres	EGP **2** bn

SUPPLY VOLUME

1,000 Residential Units	Commercial Mall
Fully-Finished Hotel Units	Unit Prices (Phase I) → **Start: EGP 9,200- 12,000/m²**

NEW PROJECT (NAME N/A)

Developer: Better House

LOCATION	AREA	LAUNCH DATE	IMPLEMENTATION PERIOD	INVESTMENTS
Galala City	**56** Acres	May **2021**	Max. **3** Yrs; from the date of puting up the project for sale	EGP **3** bn+

SUPPLY VOLUME

Unit Prices → **EGP 21,900/m²**	Unit Areas → **Start: 60 m²**
Studios	Townhouses
Twin Houses	Villas
2 Hotels	Hotel rooms

Source: Developers' Official Statements

NEW PROJECT (NAME N/A)

Developer: Al Ahly Sabbour Development

LOCATION
Mostakbal City, New Cairo

AREA
465,000 m²

Expected Sales
EGP **12** bn

STATUS
The company signs development agreement with Reportage Properties to develop the project

SUPPLY VOLUME

5,500 Residential Units	Administrative Units	Apartments
Commercial Units	Fully-Finished Townhouses	

NEW COMMERICAL PROJECTS

ROCK CAPITAL 1

Developer: El-Batal Group

LOCATION
NAC

Built-Up Area
100,000 m²

INVESTMENTS
EGP **2** bn

DELIVERY DATE
End-**2023**

SUPPLY VOLUME

2 Underground Parking Levels	**1** Ground Floor	**7** Upper Floors	Office Spaces	Amenities
4,000 m² of Interconnected Atria & Terraced Gardens	**22,000** m² To Accommodate Employees' Needs			

SPARK CAPITAL INSIGHT

Developer: Brouq Developments

LOCATION
Plot G15, MU23 Area, NAC

AREA
8,000 m²

INVESTMENTS
EGP **1.5** bn

DELIVERY DATE
2024

SUPPLY VOLUME

Commercial, Medical & Administrative Tower

Source: Developers' Official Statements

URBAN K

Developer: Starlight Developments

LOCATION
Part of Katameya Creeks Residential Project

INVESTMENTS
EGP **3** bn

SUPPLY VOLUME

6 Luxury Buildings; **1** → Boutique Hotel | The Rest Includes Retail & Office Spaces, Each Made Up of **3** Floors

Unit Areas → **1,500** m² each | **31** Ground Floor Units for Retail | **84** Office Spaces

Dining Places | Living Spaces | High-End Brands | State-of-The-Art Gym

MAMSHA ALMAQSAD

Developer: City Edge Developments

LOCATION
At The Heart of AlMaqsad Residence, NAC

AREA
31 Acres

SUPPLY VOLUME

Shops | Administrative Offices | Recreational Areas | Green Spaces | **24** Buildings, with **7** Floors Each

Retail Units | Retail Unit Areas → **33** m | Offices & Clinics Areas → **26- 108** m | Clinics

BAYADEGA

Developer: Skyway

LOCATION
Downtown, NAC

AREA
3,600 m²

HEIGHT
63 m

PAYMENT PLAN
Up To **10** yrs of Payment Systems

EXPECTED INVESTMENTS
EGP **700** mn

SUPPLY VOLUME

Administrative, Commercial & Medical Project

Source: Developers' Official Statements

NEW PROJECT (NAME N/A)

Developer: Alfath Group for Real Estate Development and Project Management

LOCATION
Downtown, NAC

ESTIMATED SALES
EGP **1.5** bn+

INVESTMENTS
EGP **2** bn+

SUPPLY VOLUME

Medical, Commercial & Administrative Complex

NEW HOSPITALITY PROJECTS

EINS TOWERS

Developer: EG Towers Development

LOCATION
NAC

PAYMENT PLAN
Contracted Advances Start from **10%** | Installments Between **5- 10** Yrs

SUPPLY VOLUME

1st Hotel Towers Under German Management | Unit Areas → **Start from 40 m Standard** | Fully- Finished Unit Prices → **EGP 25,000 to 32,000/ m²**

PALMA

Developer: Equity Real Estate Development (ERED), Subsidiary of Waterway Developments

LOCATION
Tarh El-Bahr Street, Port Said

INVESTMENTS
EGP **250** mn

SUPPLY VOLUME

300 Hotel Apartments | Apartments Consist of Single/2 room/s, Bathroom & Kitchen | Unit Areas → **95** m to **120** m

Units have Clear Sea View, Landscaping & Green Areas | Swimming Pool, Hygiene Club & Restaurants

Source: Developers' Official Statements

Construction Awards

CAIRO GATE

Developer: Emaar Misr

LOCATION
Sheikh Zayed

AREA
133 Acres

INVESTMENTS
EGP **1.5** bn

CONTRACTOR
DORA Construction

CONTRACTING PURPOSE

- Build the project's phase I
- DORA's subsidiary; Construction & Reconstruction Engineering Co. (CRC) to build **117** units in Elan Village, including standalone villas & duets
- All contracts for phase I, including Eden, Grand Residence & Rays Social Club to be signed within May

SUPPLY VOLUME

Villas	Services Apartments	Commercial Areas
Apartments	Business Area	Integrated Services

FOUKA BAY

Developer: Tatweer Misr

LOCATION
North Coast

DELIVERY DATE
End-**2021**

CONTRACTOR
Construction & Design S.A.E (Constec)

CONTRACT VALUE
EGP **150** mn

CONTRACTING PURPOSE

- Restoration of **30**-room hotel
- Construction of villas
- The finishing works of the entire phase

Source: Developers' Official Statements

Projects Underway

AGILE
Developer: Radix Development

LOCATION
NAC

NEWS
The company has contracted the "IEC" Engineering Consultancy Office

Target: Implement the engineering designs for the project

The company plans to implement the project during **2021**

Pump investments worth **EGP 300 mn**

NEW PROJECTS
Developer: Catalyst Developments

LOCATION
New Cairo

NEWS
The company to complete the delivery of **5** administrative & commercial projects in **2021**

Around **EGP 325 mn** were pumped during **2020**

The company's portfolio includes **5** commercial & financial projects worth **EGP 4.5 bn**

A plan to launch new administrative business project during **Q4 2021** & new projects may be launched in **2022** with investments of **EGP 3 bn+**

CAIRO CAPITAL CENTER (CCC)

Implementation Rate
95%

NEWS
The company begins hand over units to customers

BUSINESS PLUS

Delivery Date
End-**2021**

NEWS
Concrete works: Complete

The finishing, air conditioning & electricity: **80%** complete

NORTH PLUS

NEWS
External & internal finishes, electricity, air conditioning & other services: Complete

ELEGANTLY

NEWS
Finishing works: Complete

Source: Developers' Official Statements

BO SIDI ABDEL RAHMAN

Developer: Maxim Development

LOCATION
North Coast

AREA
880 Acres

NEWS

- The company receives the new batch of the loan agreed upon with NBE
- The financing amounts divided into **3** installments; the first two were: EGP **400** mn & EGP **300** mn
- 3rd Installment: EGP **450** mn
- Target: Complete the works of the project
- Maxim plans to deliver **1,200** Units in **2021**
- No. of Sold Units: **2,300**
- Unit Sold Areas: **60- 600** m^2

LASIRENA NORTH COAST

Developer: Lasirena Group

LOCATION
North Coast

AREA
55 Acres

NEWS

- The company to deliver **250** Units
- Phase III consists of **250** fully-finished units & are set to be delivered with facilities demanded by customers
- A commercial mall to be delivered late **2021**
- **2** Parts are complete during the past **2** Yrs & delivery of 3rd phase is underway
- Constructions at the compound to end in **2023**

SUPPLY VOLUME

The project includes **5** phases, with **1,100** units & spaces: **65** to **300** m

450 m beachfront, swimming pools, beaches, mosque, restaurants, cafes, spa, kids' area & aqua park

Source: Developers' Official Statements

JEFAIRA
Developer: Inertia

LOCATION
North Coast

AREA
5.5 mn m²

INVESTMENTS
EGP **66** bn

NEWS

Banque Misr signs cooperation protocol with Inertia

Loan Value: EGP **1.1** bn

Finance the project as part of the fourth phase

It grants a facility extends for **8.5** Yrs

SUPPLY VOLUME

Around **12,000** to **14,000** units, medical, educational & recreational services

HELNAN PORT FOUAD HOTEL AND RESORT
Developer: Al-Hamzawy Holding Company

LOCATION
Port Said Governorate

AREA
95,000 m²

INVESTMENTS
EGP **272** mn

NEWS
The completion of about **75%** of the project's phase I

SUPPLY VOLUME

455 Hotel rooms, **108** hotel units, **22** villas with hotel services, hotel studios, standalone villas with private gardens, **6** swimming pools, **300** m-beach, **20** shops, restaurants, meeting, conference & banquet rooms & sports center

NEW KORBA & SARAYAT EL KORBA PROJECTS
Developer: Heliopolis developers group (HDG)

NEWS

Services & landscaping: complete

65% of units sold: delivered

The residual to be delivered in 2021

For New Korba: The delivery rate reached **90%**+ & about **85%** of villas are delivered

Source: Developers' Official Statements

ECONOMIC
SNAPSHOT

ECONOMIC SNAPSHOT

GDP GROWTH RATE

Time Period
Q2 2020/21

Growth Rate
2%

PUBLIC INVESTMENTS

Time Period
H1 2020/21

Value
EGP **1** bn

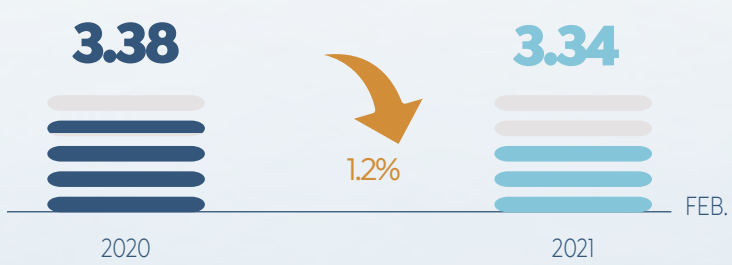
28%

UNEMPLOYMENT RATE

Q4 2020
7.2%

Q1 2021
7.4%

TRADE DEFICIT (USD BN)



EXPORTS (USD BN)

February 2020 **2.75** — 2% — February 2021 **2.69**

IMPORTS (USD BN)

February 2020 **6.13** — 1.6% — February 2021 **6.03**

ANNUAL HEADLINE INFLATION

MARCH **4.5%** ↓ APRIL **4.1%**

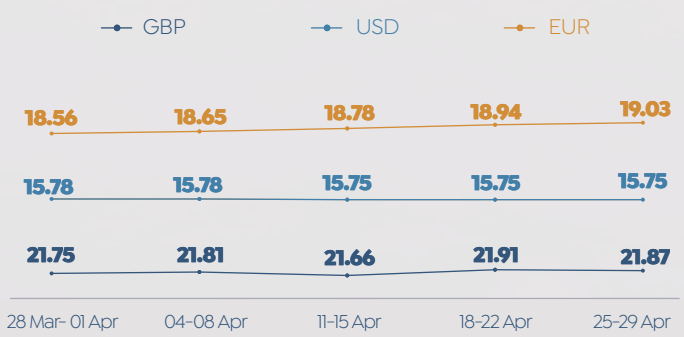
NET INTERNATIONAL RESERVES (USD BN)

MARCH **40.337** ↑ APRIL **40.343**

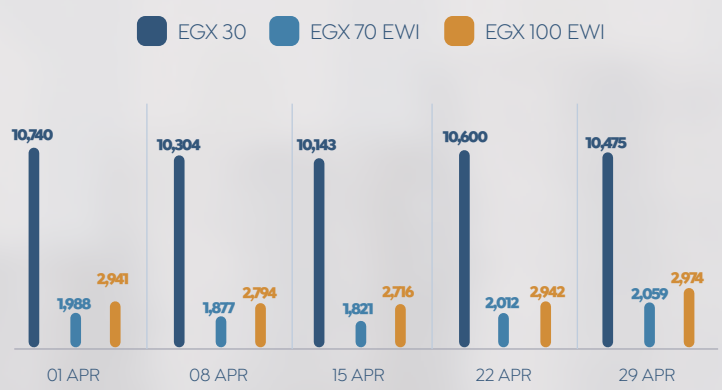
PURCHASING MANAGERS' INDEX (PMI)

MARCH **48** ↓ APRIL **47.7**

EXCHANGE RATES



CAPITAL MARKET INDICATORS



Source: Central Bank of Egypt (CBE), Central Agency for Public Mobilization & Statistics (CAPMAS), IHS Markit, Ministry of Planning & Economic Development (MPED), Cabinet & EGX.

DRAFT OF SUSUTAINABLE DEVELOPMENT PLAN IN FY 2021/22

ESTIMATED GDP GROWTH RATE*

FY 2018/19	FY 2019/20	FY 2020/21*	FY 2021/22*
5.6%	3.6%	2.8%	5.4%

ESTIMATED PUBLIC INVESTMENTS

FY 2021/22
EGP **1.25** tn

51% Increase vs. FY 2020/21

SECTORAL INVESTMENTS

- **38%** Productive Service Sectors
- **27%** Public Investments
- **35%** Commodity Sectors
- Social Service Sectors
- **75%** (EGP 933 bn)

General Economic Bodies EGP **269** bn | Gov't Agencies EGP **358** bn

INVESTMENTS OF MINISTRY OF HEALTH & POPULATION

Time Period: FY 2021/22

Allocated Public Investments: EGP **47.5** bn

205%

ALLOCATED INVESTMENTS OF LOCAL DEVELOPMENT (EGP BN)*

FY 2017/18: **5**

220%

FY 2021/22: **16**

*Individual's share rises by **192**%

EXPORTS SECTOR

Time Period: **FY 2021/22**

Target: Boost non-oil industrial exports by not less than **10%**

ELECTRICITY SECTOR

Time Period: FY 2021/22

Allocated Investments: EGP **43** bn

INVESTMENTS OF COMMUNICATIONS & INFORMATION TECHNOLOGY SECTOR

Time Period: FY 2021/22

Allocated Investments: EGP **18.6** bn (**86%** increase)

INVESTMENTS OF TRANSPORTATION SECTOR

Time Period: **FY 2021/22**

Allocated Investments: **EGP 245 bn**

Source: MPED & Cabinet

FULL ANALYSIS

FACTS & FIGURES

FULL ANALYSIS

FACTS & FIGURES

PROPERTY MARKET

DEVELOPMENT WHEEL ON ITS 6TH GEAR

BY **DINA EL BEHIRY**

Since 2014 to date, President Abdel Fattah Al Sisi spares no effort to achieve inclusive development across all governorates. Despite the pandemic, the real estate development wheel is constantly pushed to its sixth gear.

Minister of Housing, Utilities, and Urban Communities Assem El Gazzar states that the Ministry of Housing's total investments in Upper Egypt governorates since 2014 amount to EGP 83 bn.

The minister explains that since President Abdel Fattah El-Sisi took office, the state paid attention to Upper Egypt development, in line with Egypt's 2030 vision, providing various services at the highest level through the establishment of new cities, and providing lands and housing units of various types, meeting demands of all society's segments.

Minister of Housing, Utilities, and Urban Communities Assem El Gazzar states that the Ministry of Housing's total investments in Upper Egypt governorates since 2014 amount to EGP 83 bn.

El Gazzar adds that total investments in Upper Egypt are distributed as follows:

- EGP 21.057 bn in the housing sector for the construction of 130,892 housing units
- EGP 390.5 mn in the informal development sector for the development of 94 areas with 36,869 housing units
- EGP 11.893 bn in the road sector, implementing 931 km main roads and internal roads in new cities
- EGP 43.595 bn in the utility sector, utilizing 271 projects, connecting drinking water and sanitation services, and 1,654 projects replacing renewing existing networks and stations
- EGP 5.504 bn in the services sector, for the construction of 526 service buildings

The ministry has worked in developing Upper Egypt governorates through three axes. The first axis relates to existing city development projects in Upper Egypt governorates, at EGP 45.7 bn, implementing housing units, service projects, road networks and facilities, and developing informal areas.

The second axis involves the implantation of various projects in the new cities for EGP 26 bn, while the third axis encompasses the execution of projects in the fourth-generation cities, with the cost of EGP 11.2 bn.

Talking about some governorates briefly, the minister notes that the total investments directed to the development of Assiut, New Assiut & New Nasser cities have reached EGP 17.307 bn. About EGP 10.156 bn were invested in the execution of several projects. The number of executed housing units has reached 8,233 units, in addition to developing some villages and unsafe areas.

In New Assiut City, the total investments have reached EGP 4.371 bn, of which, around EGP 1.733 bn were allocated to the housing sector to execute 16,092 units.

In New Nasser City, approx. EGP 2.780 bn were allocated to the development plan, of which EGP 1.28 bn were utilized in executing 4,224 housing units.

On a general note, El Gazzar stated that the total investments the ministry allocated to Luxor is around EGP 4.743 bn, in a bid to execute the development and service projects in the city, in addition to New Tiba City.

Moreover, about EGP 14 bn were utilized in the development of Minya, New Minya, and New Malawi to execute several service projects. Adding to that, about EGP 4.306 bn were directed to the development of Fayoum and New Fayoum

cities. Approximately EGP 7.7 bn is the total investments allotted to Beni Suef to execute several development projects in the city and New Beni Suef and New Fashn. Furthermore, EGP 11.576 bn was directed to the development of Sohag. It is worth noting that these investment plans come in line with the State's plan to achieve inclusive development in Upper Egypt.

New Cities Update

The government keeps a close eye on the progress of new cities, especially under the current tumult. According to the minister of housing, at the New Administrative Capital, 74 floors have been executed at the Iconic Tower with a height of 360 m. The tower is supposed to be the tallest in Africa, with a total height of 400 m. The Iconic Tower is one of the 20 towers that will be located in the Central Business District (CBD) at the new capital.

Furthermore, R5 district, which covers 885 acres and includes 23,000 villas, residential, and commercial units, has a completion rate of around 92%. Additionally, the 1,016-acres R3 district that includes 24,000 housing units, has been nearly 93% completed.

At New Alamein city, eight towers in the second phase of the coastal towers are underway; meanwhile, the completion rate of some towers is reaching the 5th floor. Moreover, the finishing works of the city's 15 towers in phase I are ongoing.

At New Mansoura, the implementation of 11,232 housing units (468 buildings) in the "JANNA" project is underway with a completion rate of 93%, and 1,149 (separate – connected – semi-connected) villas are underway. JANNA has 2,103 units, including (499 detached villas – 152 connected villas – 498 semi-connected villas).

Additionally, 4,704 housing units (196 buildings) are being completed in the" Sakan Misr" medium housing project, where the completion rate is at 95%.

Private Sector Updates

As usual, the private real estate sector keeps all works on full swing, taking into consideration all precautionary measures to put a limit to the pandemic spread, and to keep up with their deadlines.

New Residential Projects

The New Generation Real Estate Development signs a partnership contract with the Foreign Ministry to develop the Botanica project. The project extends over an area of 23 acres in the R7 district, NAC.

It includes 1,000 residential units, a commercial mall, and fully finished hotel units. The project is sold on two phases instead of its initial five- stage plan, due to the high demand during the initial reservation period. Construction to be completed in three years. Prices starts from EGP 9,200 up to EGP 12,000 for the first phase with payment facilities for up to 10 years.

Al Ahly Sabbour Development signs a development agreement with the Emirati Reportage Properties to develop a distinct real estate project at Mostakbal city. The project spans an area of 465,000 sqm. It includes 5500 residential units, commercial, and administrative units. It also provides fully finished townhouses and apartments with distinct areas starting from one to four rooms with the highest levels of luxury finishing.

With investments exceeding 3 EGP bn, Better House prepares to launch a new project in El Galala City covering 56 acres. The project will be implemented over a maximum of three years. The project is expected to be sold on two phases, at prices starting from EGP 21,900; and includes studios, townhouses, twin houses, and villas, in addition to the implementation of two hotels within the project, as well as hotel rooms.

New Commercial Projects

El-Batal Group launches its first administrative project, Rock Capital 1, located in NAC, with an investment of EGP 2 bn.

The project is planned for delivery by the end of 2023 and consists of two underground parking levels, 1 ground floor, and 7 upper floors. The complex total BUA is nearly 100,000 sqm of office spaces and amenities, complemented with 4,000 sqm of interconnected atria & terraced gardens, and 22,000 sqm to accommodate the needs of all its employees.

With investments of EGP 3 bn, Starlight Developments reveals their latest mixed-use project URBAN K. The project is part of Katameya Creeks residential project.

The URBAN K project consists of six luxury buildings; one will be a boutique hotel managed by a world-renowned hotel management entity. The rest are divided into retail and office spaces, each made up of three floors with areas of 1500 sqm each. The project has a total of 31 ground floor units for retail, and 84 office space units to accommodate flexible and responsive state-of-the-art workspaces.

Egyptian-Gulf Investment Company Brouq Developments unveils the Spark Capital Insight project in NAC, with investments amounting to EGP 1.5 bn. The project is located on an area of 8,000 sqm in plot G 15 in the MU23 area in NAC.

The project is a commercial, medical, and administrative tower, and it will be handed over in 2024. The company offers various payment schemes to customers, starting from 10% down payment and payment facilities of up to about 14%.

Moreover, City Edge Developments announces the launch of Mamsha AlMaqsad in NAC on an area of 31 acres at the heart of AlMaqsad Residence.

The walkway includes many shops, administrative offices, and clinics that overlook recreational areas and green spaces that are characterized by a unique design. Mamsha AlMaqsad contains 24 buildings, with seven floors each, and offers retail units with an area of 33 m, in addition to offices and clinics that start from 26 m to 108 m. This attests to the role of the New Urban Communities Authority (NUCA) and its vision for modern urban development.

Skyway, the real estate developer, launches the Bayadega project in Downtown, NAC, with EGP 700 mn of anticipated investments. Bayadega will be on an area of 3,600 sqm, 63

m height, and features different activities and services that help investors. The company also provides up to 10 years of payment plans.

Moreover, the company plans to start the implementation work on the project during the second half of this year and has contracted with an Emirati contracting company specialized in the work of towers.

New Hospitality Projects

EG Towers Development launches the "Eins Towers" project, the first hotel towers, under German management, in NAC.

It includes areas starting from 40 m with payment systems, ranges between five to 10 years, with contracted advances starting from 10%. The price per sqm ranges between EGP 25,000 to 32,000 for fully-finished, furnished hotel apartments.

With a value of EGP 250 mn, Equity Real Estate Development (ERED) subsidiary of Waterway Developments, launches Port Said's Palma project, to keep pace with the state development plan in the cities of the Suez Canal.

Port Said City Governor Adel Al Ghadban opens the Palma Hotel, the first 4-star hotel with 7-star services. Palma Hotel is part of Equity Real Estate Development's expansions in the Egyptian market with a strategy to implement development projects nationwide.

Under an agreement entered with the government, ERED revamps and runs Palma Hotel on a 25-year usufruct basis. The hotel is renovated with the belief of turning it into Port Said City's first with hotel apartments ranging from 95m to 120m.

It consists of 300 hotel apartments, each made up of a single/two room/s, a bathroom, and a kitchen. All units have a clear sea view, landscaping, and green areas, together with a large swimming pool, a swimming pool for kids, a hygiene club, and restaurants.

Located on the attractive Tarh El-Bahr Street, the hotel inaugurates activities and events to mark feasts and national days.

Economic Snapshot

The Egyptian government has been following its sustainable development plans, in a bid to eliminate the negative impacts of the pandemic, and boost economy.

Regarding some major economic indicators, the annual headline inflation rate witnessed a drop in April recording 4.1%, after being constant for 2 months in a row at 4.5%. This is mainly because the market prices of different products have increased, including food and beverage, clothes and shoes, furniture and housing products, etc. On the other hand, the net international reserves upsurged in April to USD 40.343 bn, up from USD 40.337 bn.

Looking at the non-oil private sector in Egypt, the Purchasing Managers' Index (PMI) issued by IHS Markit clarified that the operating conditions deteriorated in April, registering 47.7, down from 48 in March. According to the PMI's report, firms had a drop in output, new orders, and employment. Meanwhile, upsurges in global raw material prices led to a spike in purchasing costs, with the inflation rate accelerating since September 2019 and driving a faster rise in output prices.

Concerning the Egyptian Economic status, the Minister of Planning and Economic Development Hala El Saied issued a report on the Egyptian economic indicators in Q2 2020/21. According to this report, the economy managed to achieve a positive GDP growth rate despite the havoc at 2%. Additionally, approx. EGP 1 bn were allocated for government investments during H1 2020/21, with a 28% increase. The unemployment rate registered 7.4% in Q1 2021 vs. 7.2% in Q4 2020.

Furthermore, the Central Agency for Public Mobilization & Statistics (CAPMAS) released updates on the trade deficit. The trade deficit value in February 2021 has reached USD 3.34 bn, compared to USD 3.38 bn in the same month last year, with a 1.2% drop.

With an eye on expected future indicators in FY 2021/22, according to El Saied, the FY 2021/22 draft mentioned that the estimated GDP growth rate is to reach 5.4% vs. the expected growth rate of FY 2020/21 at 2.8%, and the achieved one in FY 2019/20 at 3.6%.

Moreover, the plan targets achieving a major boom in total public investments compared to previous years. Based on the draft, around EGP 1.25 tn will be allocated for public investments, with around a 51% increase.

In a nutshell, the government spares no effort in steering the development wheel forward to ensure moving everything back to normal in the near future.