

# MARKET WATCH

BY DINA EL BEHIRY

MAY  
2021



# REAL ESTATE SECTOR

UPDATES

# REAL ESTATE SECTOR UPDATES

## NUCA ACHIEVEMENTS

Time Period  
Since Establishment To June 2020

Total Investments  
EGP 305 bn

Investment Fields  
Housing, Infrastructure, Services & Others

## HOUSING UNITS



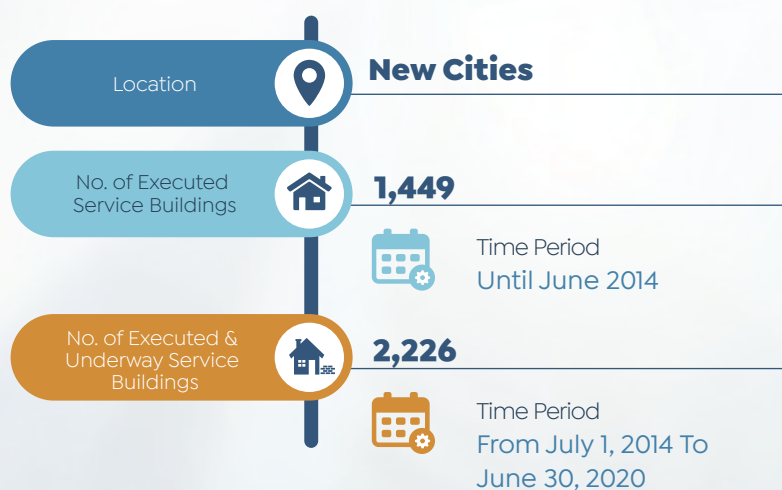
Total No. of Housing Units  
More Than **1 mn**



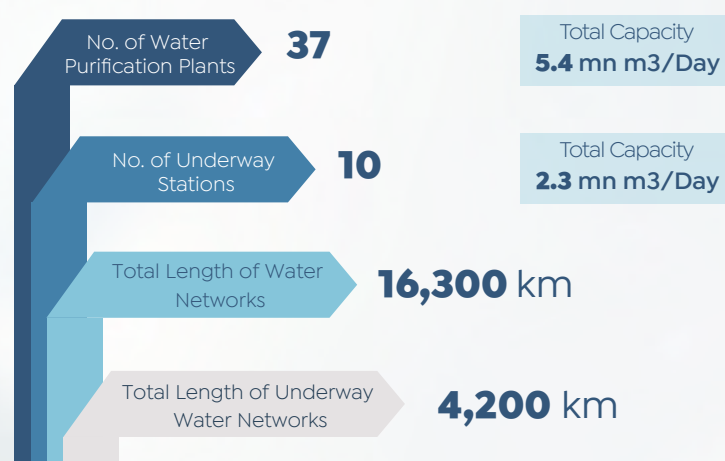
**376,000 Units**  
Until June 2014

**664,000 Units**  
July 2014- June 2020

## SERVICES



## POTABLE WATER PROJECTS

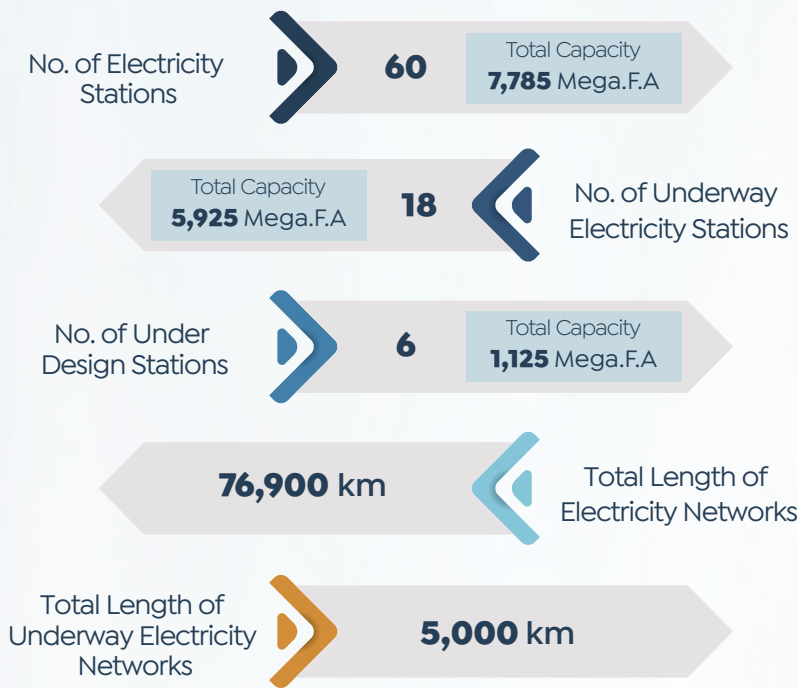


## SANITATION PROJECTS



Source: New Urban Communities Authority (NUCA)

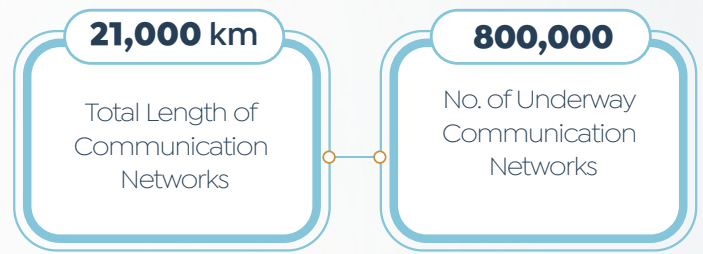
## ELECTRICITY PROJECTS



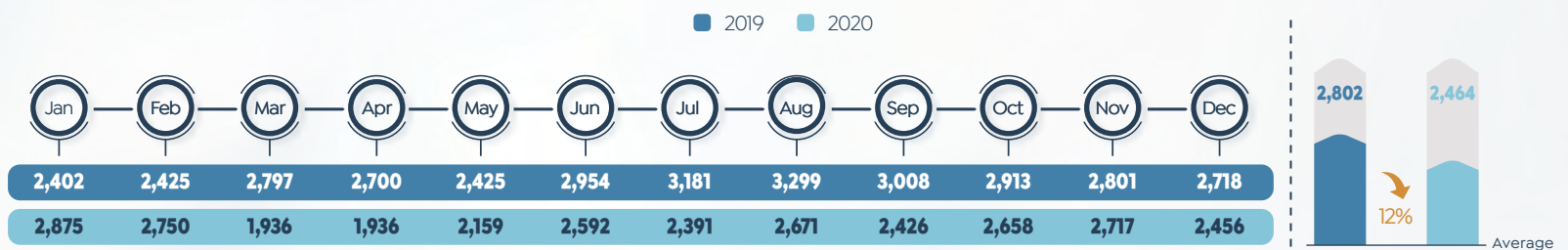
## ROADS DEVELOPMENT



## COMMUNICATIONS



## Y-O-Y REAL ESTATE DEMAND INDEX (POINTS)



## M-o-M REAL ESTATE DEMAND INDEX (POINTS)



## Q-o-Q REAL ESTATE DEMAND INDEX (POINTS)



## TOTAL NO. OF TOURISTS



## MONTHLY NO. OF TOURISTS



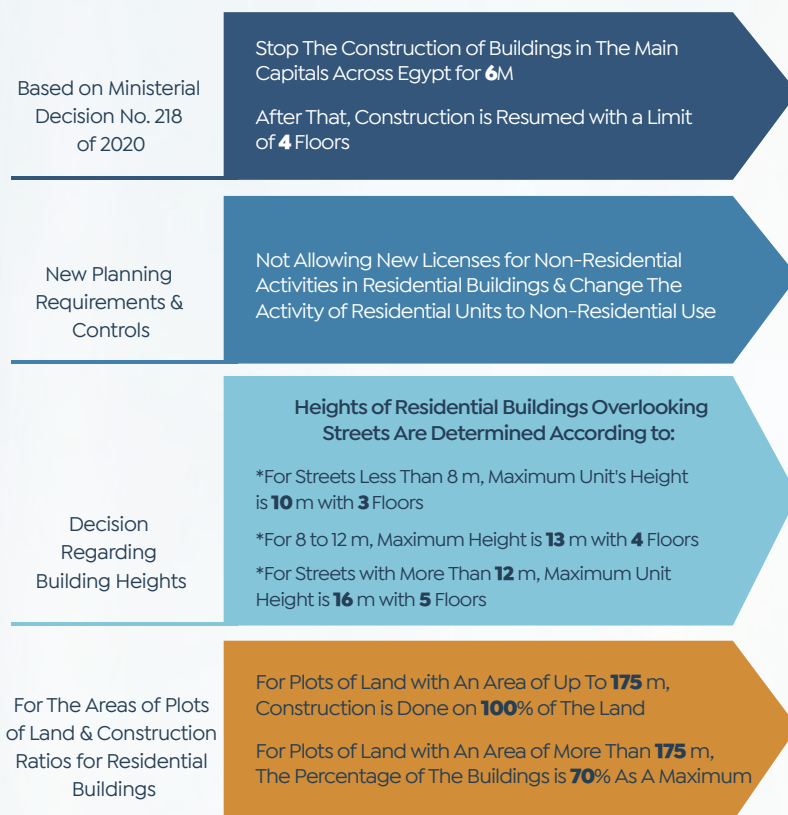
## EXPECTED TOURISM REVENUES (USD BN)



Source: NUCA, Aqarmap, Ministry of Antiquities and Tourism & Bank of America (BoFA) Global Research.



## NEW CONSTRUCTION DECISIONS



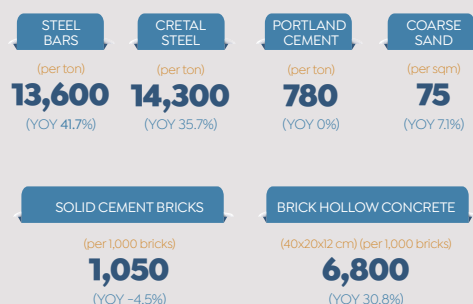
## GYPTO PHARMA



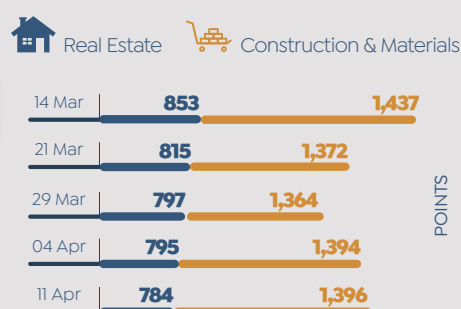
## THE NEW DELTA PROJECT



## PRICES OF CONSTRUCTION MATERIALS (MARCH 2021) (EGP)



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



## ONLINE MONTHLY SURVEY (%)

To what extent will the new subsidized mortgage initiative (EGP 100 bn) allow low & middle-income earners to be future homeowners?



Source: The Cabinet, Ministry of Agriculture and Land Reclamation, Ministry of Housing, Utilities & Urban Communities, Egyptian Exchange (EGX) & Invest-Gate R&A.



# NEW CITIES UPDATE

# NEW CITIES UPDATE


## PLOTS ALLOCATION

16 New Cities (Names N/A) <b>21</b>   Various Activities	10 <sup>th</sup> of Ramadan City <b>1</b>   Factory	6 <sup>th</sup> of October City <b>1</b>   Industrial Services	Sadat <b>1</b>   Food Industrial Activities	New Beni Suef <b>2</b>   School & Medical Activities
New Fayoum <b>1</b>   School	New Nubarya <b>1</b>   Commercial	October Gardens <b>2</b>   Commercial & Mixed-Use	New Obour <b>1</b>   Commercial Administrative	New Aswan <b>1</b>   Hospital
New Assiut <b>1</b>   Commercial Administrative	New Akhmim <b>1</b>   Warehouses	Badr <b>1</b>   Industrial	New October <b>1</b>   Factory	New Mansoura <b>1</b>   University Hospital
New Qena <b>1</b>   Bakery	New Cairo <b>1</b>   Mixed-Use			

■ No. of Plots
 ■ Activity

## FINANCIAL BONUS TO EMPLOYEES MOVING TO NAC

 **EGP 1.5 bn**  
TOTAL AMOUNT

 Unspecified; Either One-Off Payment or Added To Their Monthly Salaries.  
BONUS FORM

## NEW ALAMEIN TOWERS

 **New Alamein City**  
LOCATION

 **5 (Fully-Finished)**  
NO. OF RESIDENTIAL TOWERS

 Minister of Housing, Utilities, and Urban Communities Meets with Consultants in Washington DC Undertaking Engineering & Design Works  
STATUS

 SUPPLY VOLUME  
Artificial Lake **250 m- Iconic Tower (68 Floors)**  
**200 m- 4 Other Towers (56 Floors Each)**

## UPDATES ON R3 DISTRICT

 **2,560 (64 Buildings)**  
NO. OF UNDERWAY RESIDENTIAL UNITS

 **73,600 m<sup>2</sup>**  
COMMERCIAL AREA

 **77,760 m<sup>2</sup>**  
ADMINISTRATIVE AREA

 **Mixed-Use Buildings**  
LOCATION





 **952 (485 Buildings)**  
NO. OF UNDERWAY RESIDENTIAL UNITS

 **Villas & Townhouses Buildings, D4 & D5 Neighborhoods**  
LOCATION

 **93%**  
COMPLETION RATE

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




## JANNA UPDATES

-  **6<sup>th</sup> of October City**  
LOCATION
-  **154 Acres**  
AREA
-  **6,720 (280 Buildings)**  
NO. OF UNDERWAY RESIDENTIAL UNITS
-  **84%**  
COMPLETION RATE

## UPDATES ON SHOROUK CITY RESIDENCES

-  **78 Acres**  
AREA
-  **2,520 (105 Buildings)**  
TOTAL NO. OF RESIDENTIAL UNITS
-  **90%**  
COMPLETION RATE




## ROAD DEVELOPMENT WORKS

-  **Borg Al Arab**  
LOCATION
-  **EGP 220 mn**  
PLANNED INVESTMENTS
-  **WORK SCOPE**  
  
Main Entrance Expansion To **3** Lanes in Each Direction, with A Service Road of **9 m** Wide  
  
Implementation of **3** Bridges  
  
Develop A Number of Road Axes

## UPDATES ON DISTINGUISHED COASTAL HOUSING

-  **New Rashid City**  
LOCATION
-  **268 Acres**  
AREA (PHASE I)
-  **EGP 778 mn**  
INVESTMENTS (PHASE I)
-  **600 (25 Buildings)**  
NO. OF RESIDENTIAL UNITS
-  **70%**  
COMPLETION RATE
-  **STATUS**  
**Skull Works: Complete**  
**Interior & Exterior Finishing Works: Ongoing**

## UPDATES ON RESIDENCES FOR ALL EGYPTIANS

-  **Capital Gardens**  
LOCATION
-  **29,496 (1,124 Buildings)**  
NO. OF RESIDENTIAL UNITS (PHASE I)
-  **80%**  
COMPLETION RATE
-  **Begin Trial Operations for Electricity Works in Phase I Buildings**  
STATUS
-  **2,350 Acres**  
INFRASTRUCTURE AREA
-  **EGP 160 mn**  
INFRASTRUCTURE INVESTMENTS
-  **17%**  
COMPLETION RATE



## NEW MEDICAL COMPLEX (NAME N/A)



New Mansoura  
LOCATION



**32,355 m<sup>2</sup>** (Project Occupies **40%** of Land)  
AREA



**in 4 Yrs** After The Date of Receiving The Plot  
IMPLEMENTATION PERIOD

## SAWARY TOWERS



West Carrefour Land, Alexandria  
LOCATION



**3,168 Units & 310 Villas**  
NO. OF UNDERWAY RESIDENTIAL UNITS



**417.63 Acres**  
TOTAL LAND AREA



**21%**  
for Towers



**12%**  
for Villas



**15**  
NO. OF TOWERS (PHASE I)



**39%**  
COMPLETION RATE



**49**  
NO. OF TOWERS (PHASE II)



**16%**  
COMPLETION RATE



EGP **5.5 bn**  
INVESTMENTS



**19,817 m**  
ROADS LENGTH



**120 Acres**  
INFRASTRUCTURE AREA (PHASE I)



EGP **900 mn**  
INFRASTRUCTURE INVESTMENTS



SUPPLY VOLUME

Basements

Ground Floor

**12 Floors**

Source: Head of the New Damietta Development Authority & Supervisor of New Mansoura & New Rashid Development Authority.



# **PRIVATE REAL ESTATE PROJECTS**

## UPDATE

# Private Real Estate Projects Update



## NEW RESIDENTIAL PROJECTS

### OURIKA

Developer: Developer X for real estate, Shura Group Member



LOCATION  
Sheikh Zayed



AREA  
**16 Acres**



NO. OF RESIDENTIAL UNITS (PHASE I)  
**45**



DELIVERY DATE  
in **3 Yrs** (by **2023**)



PAYMENT PLAN

**5%** Reservation Payment

**5%** Contract Payment

Up To **8 Yrs** Installments

Down Payment Starts from EGP **145,000** &  
Monthly Installment of EGP **28,000**

#### SUPPLY VOLUME

##### Villas

Unit Prices: **EGP 5 mn**

##### Townhouses

Unit Areas: **350 m**  
Building Area: **205 m**  
Unit Prices: Start: **EGP 2.9 mn**

##### Twin Houses

Unit Areas: **350 m**  
Building Area: **225 m**

### THE MARK

Developer: Mark Development



LOCATION  
New Cairo



INVESTMENTS  
EGP **5 bn**  
(Pump EGP **700 mn** Until **2023**)



ESTIMATED CONTRACTUAL SALES  
EGP **8 bn**

#### SUPPLY VOLUME

Fully-Finished Villas with Hotel Services

Source: Developers' Official Statements

# BELLE VIE (PHASE I)

Developer: Emaar Misr



LOCATION

New Sheikh Zayed City



AREA

500 Acres



INVESTMENTS

EGP 38 bn

## SUPPLY VOLUME

1,400 m- Green Valley	Lake Surrounded By Green Areas	Sandy Beach
Multi-Activity Social & Sports Club	Open Area for Services (Shops & Restaurants)	Educational Institution

# CREEK TOWN

Developer: Khozam Developments



LOCATION

New Cairo



AREA

100 Acres



INVESTMENTS

EGP 3 bn



DELIVERY DATE

in 3 Yrs (by 2023)

## SUPPLY VOLUME

No. of Phases: <b>3</b>	Villas, Townhouses & Twin Houses → No. of Units: <b>600</b> (70% of The Area)
Duplexes, Garden Plots & Penthouses → No. of Units: <b>1,000</b> (30% of The Area)	
Villas Area → <b>350- 400 m</b>	Apartments Area → <b>120- 175 m</b>

# GO HELIOPOLIS

Developer: Khozam Developments



LOCATION

Heliopolis



DELIVERY DATE

2022

## SUPPLY VOLUME

No. of Residential Units	1,000	Administrative Spaces
Commercial Areas		Clinics

Source: Developers' Official Statements



# SCENE7 (PHASE II)

Developer: Akam Developments



LOCATION

R7 District, NAC



TOTAL AREA

**40 Acres**



TARGET SALES

EGP **2.2 bn** (in **2021**)



PAYMENT PLAN

Facilities Up to **10 Yrs**



STATUS

Phase I Sold Out

**80%** of Phase II Sold Out

Phase III To Be Launched After Ramadan

## SUPPLY VOLUME

Commercial Mall

Sports Mall

Playgrounds

International Sports Academies

Swimming Pool

# RARE

Developer: Al Ahly Sabbour



LOCATION

Mostakbal City, New Cairo



AREA

**59 Acres**



CONSTRUCTION COSTS

EGP **770 mn**



DELIVERY DATE (PHASE I)

**Q4 2025**

## SUPPLY VOLUME

No. of Townhouses → **670**

No. of Units (Phase I) → **306**

# DISTRICT FIVE RESIDENCES (EXPANSION)

Developer: MARAKEZ, Subsidiary of Fawaz AlHokair Group



LOCATION

New Katameya, East Cairo



AREA

**100 Acres**



EXPANDED AREA

**68 Acres**



DELIVERY DATE (PHASE I)

Start: **2021**



STATUS

D5R Achieves Record Sales



DELIVERY DATE OF D5R MALL

**2022**

Source: Developers' Official Statements

# RESIDENCE EIGHT

Developer: Sky Abu Dhabi Real Estate Developments,  
Subsidiary of Diamond Group



LOCATION

R8 District, NAC



AREA

**23 Acres**



TARGET SALES

EGP **1.5 bn** by **2021**



INVESTMENTS

EGP **4 bn**



STATUS

The Ministry Approves Planning & Dividing The Land Plot for The Project

Construction Began & Project Units Offered for Reservation

## SUPPLY VOLUME

No. of Residential Units → **1,000** | Apartments & Luxury Duplex Units | Unit Areas → **80-360 m<sup>2</sup>**

Commercial Complexes | Outdoor Area for Activities & Events | Clubhouse within Walking Distance

Gym & Health Center

Smart Facility Administration



## NEW COMMERCIAL PROJECTS

# STARS MALL

Developer: Capital Development Company



LOCATION

Site Guardian,  
R3 District, NAC



AREA

**3,007 m**



INVESTMENTS

EGP **100 mn**  
(Until **H2 2021**)



CONTRACTUAL SALES

EGP **450 mn**



ESTIMATED CONTRACTUAL  
SALES

EGP **350 mn**  
(Until **H2 2021**)



STATUS

**30%** of The Project  
Sold Out



CONSULTING OFFICE FOR  
ENGINEERING DESIGNS

Sherif Elwan



RESERVATION DATE

Start: January **2021**



DELIVERY DATE

in **30 M** (by **2023**)

## SUPPLY VOLUME

**110** Floors

Cafes & Restaurants

Pharmacies

Center Houses

Source: Developers' Official Statements

# MUSE

Developer: Developer X for real estate & Saad Eddin Group



LOCATION  
New Cairo



STATUS  
The Company To Launch Phase I Soon

## SUPPLY VOLUME

Office Spaces	Unit Areas → <b>80-150 m</b>
Finest & Strongest Brands of Restaurants & Entertainment Services	Small Hotel

# JAYA BUSINESS COMPLEX

Developer: Egyptian Developers



LOCATION  
Downtown, NAC



AREA  
**6,000 m<sup>2</sup>**



SALES AREA  
**20,000 m<sup>2</sup>**



TARGET SALES  
EGP **1 bn**



PAYMENT PLAN  
Start from **7 To 13** Yrs, With  
Different Payment Systems



DELIVERY DATE  
In **3** Yrs After Contracting  
with Consumers

## SUPPLY VOLUME

Commercial Areas	Administrative Spaces	Unit Prices → EGP <b>18,000/m<sup>2</sup></b>
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# THE VILLAGE

Developer: Hometown Development



LOCATION  
Downtown, NAC



PAYMENT PLAN  
**5%** Down Payment | Payment Period of Up To **10** Yrs

## SUPPLY VOLUME

Largest Cinema Complex	No. of Halls → <b>10</b>	No. of Movie-Goers → <b>1,000</b>
Commercial Areas → Start: <b>30 m<sup>2</sup></b>	<b>2,250 m</b> - Hypermarket	

Source: Developers' Official Statements

# SIXTY ICONIC TOWER

Developer: Al-Burouj Egypt



LOCATION

Financial & Business  
District, NAC



AREA

**13,000** m<sup>2</sup>



SALES AREA

**55,000** m<sup>2</sup>+



HEIGHT

**40** Floors



INVESTMENTS

EGP **1.7** bn



TARGET SALES

EGP **3** bn



DELIVERY DATE

in **3** Yrs (By **2023**)



PLAN

The Company Plans to  
Increase Investments in  
NAC To **EGP 9 bn** in The  
Next **3** Yrs



STATUS

The Company Currently  
Owns **4** Administrative  
& Commercial Hotel  
Projects in NAC

# VINCI STREET (NEW PHASE)

Developer: Misr Italia Properties (MIP)



LOCATION

Vinci Project, NAC



PAYMENT PLAN

**5%** Down Payment | Up To **7** Yrs Installment Plans



DELIVERY DATE

**2024**

## SUPPLY VOLUME

2 Floors	Ground Floor	Upper Floor	Commercial Areas	Administrative Offices
Shops	Clinics	Areas Range from <b>96</b> m <sup>2</sup> for Shops To <b>100</b> m <sup>2</sup> for Cafes & Restaurants		
Areas for Offices & Clinics Extend Up To <b>69</b> m <sup>2</sup>				

# IBUSINESS PARK TOWERS

Developer: ARQA Real Estate Development



PAYMENT PLAN

Contract Provider of **10%** with Facilities of **7** Yrs  
Others: Facilities Up To **12** Yrs



STATUS

The Company Starts Drilling &  
Construction Works



# THE PLACE

Developer: Parsley Developments



LOCATION

Fifth Settlement,  
New Cairo



STATUS

The Project is Open  
for Reservations



IMPLEMENTATION DATE

Start: March **2021**



DELIVERY DATE

March **2022**



PAYMENT PLAN

**35%** of Units' Value Paid As Down Payment

No Installments Until Units Delivery

Installment Paid Over **4** Yrs

## SUPPLY VOLUME

**2** Basements

**3** Floors

Ground & 1<sup>st</sup> Floors for Commercial Units

Unit Prices: Start: EGP **30,000**/ m<sup>2</sup>

1 Floor for Administrative & Medical Units, with Private Entrances

Unit Areas: **45- 320** m

# NEW PROJECT (NAME N/A)

Developer: Saudi Egyptian Developers (SED)



LOCATION

Fifth Settlement, New Cairo



AREA

**21.6** Acres (**91,000** m<sup>2</sup>)



INVESTMENTS

EGP **2.8** bn

## SUPPLY VOLUME

Commercial Complex

Administrative Offices

Clinics & Medical Centers

Entertainment & Walking Venues

Five-Star Hotel

# PAGODA COMPLEX

Developer: Acadia Real Estate



LOCATION

Downtown, NAC



AREA

**2,221** m<sup>2</sup>



INVESTMENTS

EGP **400** mn



IMPLEMENTATION PERIOD

**3** Yrs

## SUPPLY VOLUME

**10** Floors

**3** Floors for Commercial Activities

**7** Floors for Administrative & Medical Activities

Source: Developers' Official Statements

# NEW MALL (NAME N/A)

Developer: MARAKEZ



LOCATION

Mansoura, El Dakahlia  
Governorate



AREA

**150,000** m<sup>2</sup>



BUILT-UP AREA

**45,000** m<sup>2</sup>



GROSS LEASABLE AREA

**40,000** m<sup>2</sup>



COMMERCIAL/ LOGISTICS AREA

**198,000** m<sup>2</sup>



INVESTMENTS (PHASE I)

EGP **1** bn



TARGET POPULATION

**7** mn+



NO. OF JOB OPPORTUNITIES

**20,000+**

## SUPPLY VOLUME

Retail, Dining & Entertainment Options | **6,000** m<sup>2</sup> Hypermarket | Food Court | **1,850** Parking Spaces

Outdoor Space for Activities & Family Fun | **8** Screen Cineplex | Fashion Brands



Construction Awards

# GRAND EGYPTIAN MUSEUM (GEM)



AWARDED COMPANIES

Consortium between Hassan Allam  
Construction & MAB from the UAE



CONTRACT

Provide & Operate Services & Facilities at The GEM,  
in Collaboration with Ministry of Tourism and Antiques



Projects Underway

# RIVAN TOWERS

Developer: Al-Tameer Arabian



LOCATION

Downtown, NAC



NEWS

The Company Enters Contract with UAE FACIL International Group

**Target:** The UAE FACIL Group To Manage The Project

The Partnership To Offer New & Different Product With International Hospitality Services

**Agreement Terms:** Provision of Hotel Services & Management for Housing Activities

Source: Developers' Official Statements

# ETAPA SQUARE

Developer: City Edge Developments



LOCATION

Sheikh Zayed



NEWS

The Company Signs Financing Contract with National Bank of Egypt (NBE) & Banque Misr

Value: EGP **1.1** bn

Target: Finance Part of The EGP **2.2** bn Investments for Establishing A Commercial Mall in The Project

## SUPPLY VOLUME

Grand Villa	Townhouse Corner	Villa	Townhouse Middle	Twin Villa
Mansio Villa	Duplex Second Floor Apartment	Mansio Villa- Second Floor Apartment		
Duplex 1-4		Duplex 2-3		

# AVALON

Developer: Investwell Real Estate Consultancy



LOCATION

NAC



AREA

**8,400** m



TOTAL SALES AREA

**33,000** m<sup>2</sup>



NO. OF BUILDINGS

**2**



INVESTMENTS

EGP **1.4** bn



DELIVERY DATE

June **2023**



NEWS

The Company Signs Facilities & Services Management Contract With Leeds Facilities Management Company (LEEDS -TFM)

The Contract Includes Avalon New Cairo & Avalon New Capital

Target: Preserve Their Investment Value & Maximize Efficiency

Source: Developers' Official Statements

## CFC CLUB

Developer: Cairo Festival City (CFC), Subsidiary of Al-Futtaim Group



LOCATION

Cairo Festival City Complex



AREA

**62,150** m<sup>2</sup>



LAUNCH DATE (PHASE I)

**Q2 2022**



LAUNCH DATE (PHASE II)

**Q4 2022**



NEWS

Contracts with International Consultants To Carry Out Architectural Design & Selectively Tailored Sports Facilities

**Target:** Offer Members Comprehensive Sporting Experience

Supply Volume (Phase I)

Sports Complexes, Swimming Pools & Green Area

## ORIANA IV VILLAS

Developer: Cairo Festival City (CFC), Subsidiary of Al-Futtaim Group



LOCATION

Cairo Festival City Complex



AREA

**68,253** m<sup>2</sup>



NO. OF VILLAS

**116**



DELIVERY DATE

**2021**



NEWS

**90%** of The Project Complete

Oriana Villas Includes **617** Villas; **495** Complete & **453** of Them Delivered

## THE PODIUM

Developer: Cairo Festival City (CFC), Subsidiary of Al-Futtaim Group



LOCATION

Cairo Festival City Complex



NEWS

Phase I Sold Out

Phase II Scheduled for Completion by **Q2 2023**

Supply Volume

**5** Administrative Buildings for **224** Units

Unit Areas — Start: **95** m<sup>2</sup>

Source: Developers' Official Statements





# ECONOMIC SNAPSHOT

# ECONOMIC SNAPSHOT

## FY 2021/22 BUDGET DRAFT

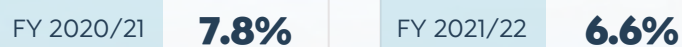
### GOV'T EXPENDITURE



### EXPECTED GDP GROWTH RATE



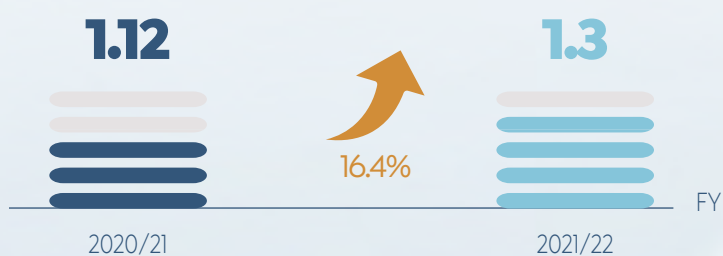
### BUDGET DEFICIT



### PRIMARY SURPLUS



### GOV'T REVENUES (EGP TN)



### SPENDING ON SUPPLY COMMODITIES SUBSIDY (EGP BN)



### ANNUAL HEADLINE INFLATION



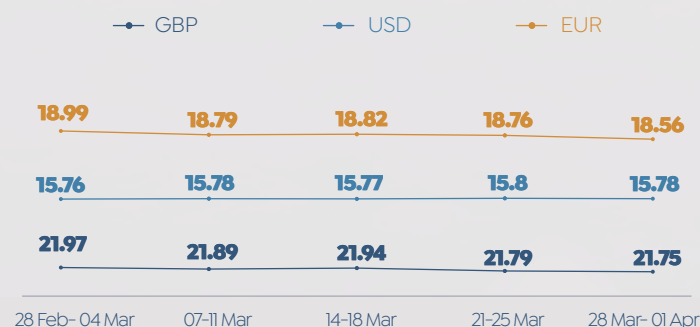
### NET INTERNATIONAL RESERVES (USD BN)



### PURCHASING MANAGERS' INDEX (PMI)

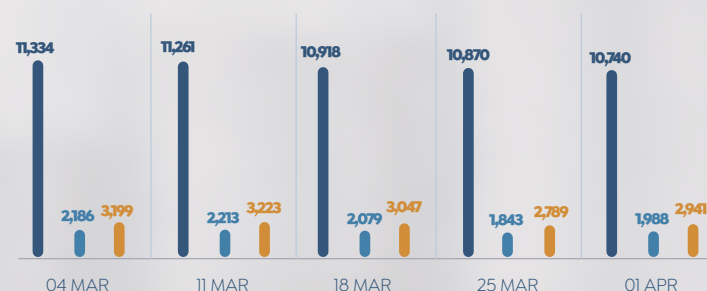


### EXCHANGE RATES




### CAPITAL MARKET INDICATORS

EGX 30 EGX 70 EWI EGX 100 EWI



Source: Central Bank of Egypt (CBE), Central Agency for Public Mobilization & Statistics (CAPMAS), IHS Markit, Ministry of Finance & EGX.



# FULL ANALYSIS

FACTS &  
FIGURES



## PROPERTY MARKET PLANS

# STAY ON COURSE DESPITE CHALLENGES

BY DINA EL BEHIRY

**B**efore the Coronavirus has triggered severe upheaval in global markets and exposes the existing cracks in the global economy, the Egyptian property market has been working in full swing to achieve successes. As proof of that, the New Urban Communities Authority (NUCA) has showcased its accomplishments since establishment to June 30, 2020 to the Minister of Housing, Utilities, and Urban Communities Assem El Gazzar.

According to this meeting, the minister states that around EGP 305 bn in several fields including infrastructure, housing, services, and other development fields. This is in addition to the investments of the private real estate sector.

El Gazzar asserted that NUCA's achievements has contributed to solving the housing problem through the availability of housing units across new cities. The number of executed and underway housing units has reached more than a million, around 376,000 of which were completed until June 30, 2014 and about 664,000 units were executed from July 1, 2014 to June 30, 2020.

Additionally, NUCA pays a great deal of attention to providing services to the new cities' residences. Thus, about 1,449 service buildings were executed until mid-2014, and about 2,226 other buildings were completed from July 1, 2014 to June 30, 2020.

For potable water and sanitation projects, around 37 water purification plants with a total capacity of 5.4 mn m<sup>3</sup>/day were executed, and about 10 other plants with a total capacity of 2.3 mn m<sup>3</sup>/day are underway. Moreover, 33 sanitation treatment plants with a total capacity of 1.9 mn m<sup>3</sup>/day were complete, in addition, 13 other plants with a total capacity of 550,000 m<sup>3</sup>/day are still underway.

When it comes to electricity projects, 60 stations with a total capacity of 7,785 mega f.a were executed, and about 18 other stations with a total capacity of 5,925 mega f.a are underway.

Regarding road projects, 10,000 km road networks were executed, and about 4,000 other networks are still underway.

With an eye on today's efforts to ensure that everything is on the right track, a new ministerial decision no. 218 of 2020 is issued to stop the construction of the buildings in the main capitals across Egypt for six months.

Prime Minister Mostafa Madbouly then directs the resumption of construction with a limit of four floors. This comes as several parties held several meetings over the past months with the participation of the concerned ministries: local development, housing, higher education, planning, and the engineering commission, according to an official statement on March 31.

Several committees are formed headed by the governors 'deputies, the engineering authority, and many competent

authorities. Accordingly, the new planning requirements and controls are issued, which stipulate: not allowing new licenses for non-residential activities in residential buildings and changing the activity of residential units to non-residential use.

Furthermore, heights of residential buildings overlooking narrow and wide streets are determined according to the following areas: for streets less than 8m, the maximum height of the unit is 10m with three floors; for 8 to 12m, the maximum height is 13 m with four floors; and for streets that are more than 12m, the maximum unit height is 16m with five floors.

As for plots of land and construction ratios for residential buildings; for plots of land with an area of up to 175 m, construction is done on 100% of the land. As for plots of land with an area of more than 175 m, the percentage of the buildings is 70% as a maximum.

Looking at the Egyptian tourism status, the Minister of Tourism and Antiquities Khaled Anani mentioned before that around two million tourists visited Egypt since flights resumption in July, 2020. More specifically, about 270,000- 290,000 tourists came to Egypt during December, 2020 and February 2021. Regarding revenues of Egypt's tourism sector, the Bank of America (BoFA) Global Research said in a recent report that revenues are expected to hit USD 7 bn next year after having plunged in 2020.

## New Cities Update

In a bid to further reinforce the real estate sector, the government spares no efforts in pushing the development wheel and move forward in projects' execution. The minister indicated the execution of 2,560 units in the mixed-use buildings. Furthermore, about 952 units are still underway in R3 District, with a completion rate of around 93%.

Additionally, bureaucrats whose work will move to the New Administrative Capital (NAC) are also getting a special bonus. The budget has earmarked a total of EGP 1.5 bn for the employees' bonus, but the Cabinet statement does not clarify whether each employee will get a one-off payment or if the amount will be tacked on to their monthly salaries.

Focusing on JANNA project in the 6<sup>th</sup> of October city, approximately 6,720 units are still underway on an area of around 154 acres, with a completion rate of 84%. For the New Rashid city,



about 600 units are 70% complete in the Distinguished Coastal Housing project. Regarding Capital Gardens, approximately 29,496 units are 80% complete in the Housing for All Egyptians Initiative.

## Private Sector Updates

The private real estate developers spare no efforts in launching new projects, and stick to the proposed timetables to avoid project delays.

### New Residential Projects

Developer X for real estate, a member of the Shura Group, launches two projects in Sheikh Zayed and New Cairo. The two projects aim to achieve contractual sales of EGP 1 bn in 2021, according to a company press release on April 1.

The first one is Ourika, a residential project on an area of 16 acres in Sheikh Zayed. The first phase of the project is being launched with 45 villas, townhouses, and twin houses.

The company offers a variety of payment systems with 5% reservation payment, 5% contract payment with installment for up to eight years. Prices for the Town Houses start from EGP 2.9 mn and reach EGP 5 mn for independent villas. The project will be delivered within three years.

Mark Development launches an integrated urban project in New Cairo with investments of EGP 5 bn as part of the company's expansion plan in the real estate market.

The plan has expected contractual sales exceeding EGP 8 bn. The company plans to pump EGP 700 mn in its investments until 2023 in addition to studying the development of a new tourism project in Ain Sokhna in 2021, according to a company press release on March 29.

Badr further elaborates that the company achieves contractual sales of EGP 2 bn with its project in New Cairo. It started implementing the project and assigned the construction works to the Good Shepherd Company.

Emaar Misr has celebrated launching the first phase of the Belle Vie project in the new Sheikh Zayed City.

Belle Vie is on an area of 500 acres with investment rates estimated at EGP 38 bn. It is characterized by the presence of a green valley extending over 1,400 meters, a lake surrounded by green areas, a sandy beach, a multi-activity social & sports club, an open area for services (shops – restaurants), and an educational institution, according to a company press release on March 28.

Khozam Developments launches the first phase of Creek Town New Cairo project with investments of EGP 3 bn during the Real Gate exhibition.

Creek Town has an area of 100 acres divided into three phases. First phase is launched at the Real Gate Exhibition, where Khozam Developments offers discounts and special deals for contractors during the three-days exhibition.

The project includes 600 villas, townhouses, and twin houses, which represent 70% of the project area. Furthermore

1,000 residential units between duplexes, garden plots and penthouses represent 30% of the area. The project is scheduled to commence with an expected delivery date within three years. Villas range between the 350 to 400 m, and apartments between 120 to 175 m.

It is noteworthy that Creek Town is the second project of Khozam Developments after its project Go Heliopolis, the first compound in Heliopolis, which includes 1,000 residential units in addition to administrative and commercial units and clinics, and it is planned to start delivery in 2022.

Al Ahly Sabbour launches its latest residential project, Rare, in Mostakbal City. The project area covers 59 acres and offers 670 townhouses with a total of EGP 770 mn in construction costs. The delivery of phase I with 306 units is expected to be in the fourth quarter of 2025.

Akam Developments' CCO, reveals that the new units in the SCENE7 project in the New Administrative Capital will be launched, with payment facilities of up to 10 years. SCENE7 project is the first sports compound in the New Administrative Capital. It includes the largest international sports academies, playgrounds, swimming pool, a sports mall, a commercial mall, which provides all the needs of the customers and brings them luxury, comfort, and happiness, the statement reads.

SCENE7 project is in the R7 area, extends over an area of 40 acres. The third phase of the project is scheduled to be launched after Ramadan.

Emaar Misr has celebrated launching the first phase of the Belle Vie project in the new Sheikh Zayed City.

MARAKEZ, the subsidiary of the Saudi conglomerate and mall developer Fawaz AlHokair Group, increases its District Five Residences in New Katameya, by expanding 68 acres to the existing 100 acres, bringing the total area to 168 acres.

Sky Abu Dhabi Real Estate Developments unveils its first project in NAC with an investment of EGP 4 bn.

The company begins construction and offers the project units for reservation, with a sales target of 1.5 bn EGP by 2021. The Residence Eight project consists of residential complexes as well as commercial complexes and covers an area of 23 acres.

Strategically located in the premium area R8, the new project is designed to balance in the landscape and expand over 82% of the total area of the project as well as about 1,000 residential units that vary between apartments and luxury duplex units in different areas ranging between 80 and 360 sqm.

### New Commercial Projects

Capital Development Company launches its first projects in the real estate market Stars Mall in NAC for contractual sales that exceed EGP 450 mn.

Stars Mall project is implemented on an area of 3,007 meters at the site guardian in the R3 region, and it is a specialized commercial mall that includes 110 floors ranging from cafes and restaurants, pharmacies and center houses, according to a company press release on March 31.

The reservation in the project started in January 2021 and so far, 30% of the project has been sold. It is expected that the company will achieve contractual sales estimated at EGP 350 mn until the second half of the current year while pumping approximately EGP 100 mn as investments during this period.

Developer X for real estate launched the Muse, an administrative commercial activity, in partnership with the Saad Eddin Group. It consists of administrative offices with areas ranging between 80 and 150 meters in New Cairo. The company plans to launch the first phase of the project soon.

Egyptian Developers launch the first project in NAC, JAYA Business Complex, located in Downtown with targeted sales of around EGP 1 bn.

The project is located on an area of 6,000 sqm and the sales area of the project is 20,000 sqm. The project includes a commercial and administrative part. Delivery of the project is within three years after contracting with customers, but the company plans to deliver before this date.

The company offers a payment plan starting from seven years reaching 13 years with different payment systems to suit all target customers. All units in the project follow the same procedure, and the company offers units at prices that are approximately 50% lower than similar units in the market. With other investment benefits, the price per sqm starts from EGP 18,000.

Hometown Development launches The Village project in NAC with the largest cinema complex, with a total of 10 halls that accommodates for more than 1,000 movie-goers.

The Village includes areas starting from 30 sqm. The project offers a payment plan of a 5% down payment and a payment period of up to 10 years, a distinct payment system that commensurate with the purchasing power of the target customers.

The project includes a hypermarket on an area of 2,250 meters under the supervision of DMA Engineering Consulting, and Hassan Allam Asset Management will operate the project after its implementation.

Al-Bourouj Egypt launches its latest project, Sixty Iconic Tower, in the financial and business district of the New Administrative Capital, with investments of EGP 1.7 bn, and a targeted sales value of EGP 3 bn. It will be implemented within three years on an area of 13,000 sqm and a height of 40 floors. The building is on 60% of the land, and the sales area reaches more than 55,000 sqm.

Parsley Developments announces opening its reservations for the units of its project The Place in the Fifth Settlement, which is exclusively marketed by PRE for Marketing and Real Estate Investment.

The project is in a prime location. It consists of two basements and three floors, while the commercial units contain ground and first floors. As for the medical and administrative ones, there is only one floor. The administrative and medical units have private entrances to give privacy to its visitors.

The price per square meter starts from EGP 30,000 and 35% of the unit value is paid as a down payment without installments until the unit is delivered. The installments are over four years, and the unit areas range from 45 to 320 meters. It is planned to start the implementation of the project in March 2021 and deliver it in March 2022.

Acadia Real Estate intends to launch its first projects in NAC on an area of 2,221 sqm in a prime location, with investments estimated at EGP 400 mn.

Pagoda complex project consists of 10 floors that include commercial, administrative and medical activities. The first three floors are commercial with an innovative system and the rest are administrative and medical. The project implementation period is three years, indicating that it offers several units for various purposes to suit all customer needs.

## Economic Snapshot

With intense efforts showing some promising results, net international reserves hit around USD 40.337 bn in March versus USD 40.2 bn in February. Despite this upsurge, the net international reserves are still below the recorded level in last February of USD 45.5 bn.

Egypt's annual headline inflation maintained the same level of 4.5% in 2 months in a row, according to the Central Bank of Egypt (CBE).

Regarding the Purchasing Managers' Index (PMI), it witnessed a drop in March reaching 48, after hitting 49.3 in February. According to the report, this drop indicates a deterioration in the non-oil activity due to the pandemic havoc.

The Cabinet has signed the FY 2021/22 budget draft. Finance Minister Mohamed Maait mentioned earlier that under this budget, expenditure will witness a 9% YoY increase hitting EGP 1.76 tn, of which 27.6% will be focused on investments, with a focus on improving the quality of public services and infrastructure.

Moreover, the GDP growth rate is expected to reach 5.4% and could climb to 6% in the following fiscal year if everything goes according to plan. For primary surplus, the budget is assumed to achieve 1.5%, compared to 0.9% in the current fiscal year.

It is worth mentioning that the government spares no effort in maintain our current state, with high hopes of reaching stability and flourishing.