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To new beginnings and a new year!

Well, we bid farewell to 2020 and its inevitable monster, COVID-19, that took over the globe threatening lives, ending businesses, limiting workforce, and... we need not continue on that; let's look on the bright side and welcome 2021 although the threat still persists. But hopefully, we reach profound medical solutions that enable humanity to bring life back to normal.

In Egypt, and especially in real estate, the effects were profound. I say risk management was the highlight of the year, leading some to perform better than others. Now we welcome 2021 with great anticipation and again with some speculation!

As we keep an eye on Egypt's real estate market, we give you the highlights of 2020 in our January issue. Our R&A team looks back at 2020 to present its key facts and figures.

In this issue, you are sure to find the latest news and updates on this industry. We also tackle some impending issues, as we usually do, like the reconciliation law by the government to limit building violations and protect sovereign lands. We speak to a number of market leaders on the effects of COVID-19 on individual property investment. We also give a glimpse of hope with the sought-after new cities, described as the fourth generation cities, as they are expected to open doors for the employment market.

We introduce our latest Voice of Architecture by featuring one of the youngest and promising players in the world of architecture, Miro Architects. Our Voice of Architecture is one among many of our achievements in 2020, following the launch of the Invest-Gate app and Invest-Gate Arabic website, with more to come in 2021.

Invest-Gate remains in touch but at a distance.

#StaySafe and have a Happy New Year!

P.S: wear a mask at all times



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JANUARY HEADLINES

El-Sisi Mandates Addition of 3,300 Housing Units Nationwide



President Abdel-Fattah El-Sisi has mandated the implementation of additional 3,300 housing units nationwide, as part of the “Residence for All Egyptians” national project, and as an extension to the state’s “Ahalena” social housing project in the vicinity of Ibrahim El Orabi Axis, Invest-Gate reports.

The remarks came during El-Sisi’s meeting with Prime Minister Mostafa Madbouly, Minister of Local Development Mahmoud Shaarawy, Minister of Housing, Utilities, and Urban Communities Assem El Gazzar, Presidential Advisor for Urban Planning Amir Ahmed, and Chairman of the Armed Forces Engineering Authority Ehab El-Far, Presidential Spokesman Bassam Rady revealed in a December 14 official statement.

According to Rady, the meeting saw officials reviewing the stance of national projects

underway by the Armed Forces Engineering Authority across the country. This includes studying plans to establish a 300-acre international bus station in Cairo International Airport (CAI), which will represent an integrated and modern center for all things transportation.

Being developed to link and be an integral part of CAI, the new site will incorporate several commercial centers, fuel stations, administrative buildings, entertainment facilities, in addition to an integrated service area, the statement noted.

Before examining the ongoing works on Red Sea’s El Galala City, officials also followed up on the executive position of several developments in the pipeline at the New Administrative Capital (NAC), namely the Islamic Cultural Center, besides other architectural and cultural buildings, in the efforts to create new urban communities in proximity to Greater Cairo.

On December 11, Iraqi Minister of Construction, Housing, and Public Municipalities Nazanin Muhammad Wosu toured multiple megaprojects underway across Egypt. She inspected 29,496 housing units (1,124 buildings) in NAC’s Capital Gardens district, coming as part of the “Residence for All Egyptians” project, as highlighted in a former ministerial statement.

El Gazzar Tracks Progress on Port Said Developments



Minister of Housing, Utilities, and Urban Communities Assem El Gazzar has met with Port Said Governor Adel Al-Ghadban to follow up on the various ongoing development projects driving economic growth and real estate investment to the Mediterranean city, Invest-Gate reports.

During the meeting, the officials discussed the implementation of several other megaprojects

in the governorate. El Gazzar also affirmed the provision of all necessary services to uplift Port Said people’s livelihood, according to an official statement on November 26.

On his part, Al-Ghadban hailed the extensive efforts exerted by the housing ministry in implementing an assortment of well-crafted ventures to serve Port Said and neighboring areas.

Back in September, New Plan Developments has inked a cooperation protocol with Port Said Governorate for the development of “Sahet Misr,” which is the province’s main piazza, as highlighted in a previous press release.

Under the agreement, Sahet Misr will be a tourist hub, Al-Ghadban stated back then, noting, “The shape of the square will be aesthetic and civilizational by the implementation of distinctive landscapes to attract tourists to the governorate.”

Japanese Ambassador Tours New Alamein Projects



Japanese Ambassador in Cairo Masaaki Nuki has paid a visit to New Alamein to keep abreast of the latest updates on ongoing development projects driving growth and investment in the new coastal city, Invest-Gate reports.

Masaki was received by Head of New Alamein Authority Osama Abdel Ghani as well as other officials and dignitaries to begin the extensive tour, where the Japanese ambassador commended the promising development process in the city and affirmed further cooperation with Cairo in different areas, according to a ministerial statement on November 29.

On his part, Abdel Ghani indicated that New Alamein will be home to 3 mn people on an area of 50,000 acres upon completion within two years. Work is underway to construct 15 coastal towers, reaching up to 42 stories in height, located in the beach towers area of the city.

Besides, the recreational area, which is positioned at the heart of the beach towers area, overlooks the sea directly and includes a 3,000-car parking area, a boutique hotel, as well as, an assortment of top-notch eateries and commercial spots, the official added.

Located 60 kilometers south of the Mediterranean coast, New Alamein is also set to feature a public university, with a capacity of 25,000 students, comprising an opera house, a student residence, a library, and a museum.

Gov't Modifies Land Acquisition, Ownership Transfer Bills



Minister of Housing, Utilities, and Urban Communities Assem El Gazzar has held a meeting, in the presence of Minister of Agriculture and Land Reclamation Mohamed El Quseir, along with other state officials, to discuss the government's strategy on its land acquisition and management, Invest-Gate reports.

During the meeting, El Gazzar agreed to form a joint committee from both ministries and official agencies to carry out its tasks, including an accurate inventory of all transferred state-owned land plots, all documented decisions of transfer, and the delivery of all plots. This comes as part of a presidential order to put the state's asset into its best benefit.

On his part, El Quseir emphasized accuracy and transparency when proving land ownership and acquisition. Each party, which obtains official transfer, should present all documents of its land ownership and prepare a complete file for each plot, including its site, or obstacles of implementation process; then coordinate with National Center for Planning State Land Uses (NCPCLU) Development.

Gov't Pledges EGP 10 bn for Housing Sector: Cabinet Spokesman



Cabinet Spokesman Nader Saad has confirmed the allocation of EGP 10 bn for phase I of the development project of Egypt's provincial capitals and major cities, in line with the presidential directives for the optimal utilization of state assets and provision of new services and projects, Invest-Gate reports.

The announcement came during a Cabinet meeting on December 1, where Saad affirmed the national project would be carried out over two phases, after first reclaiming lands endowed to government authorities and ministries nationwide, according to a recent official statement.

Phase I covers the renovation of residential properties located in 13 different areas, whilst the second one includes 31 others. State bodies were also addressed to enumerate the dilapidated housing units in each governorate, which had been established for many years, in a bid to implement alternative residences, he further stated.

So far, at least 500 mn housing units count in both phases of the comprehensive development project, aiming to change the face of existing cities and regional development by opening new traffic axes and establishing decent housing. According to Saad, this will create a huge volume of jobs while also opening new horizons of investment opportunities.

The starting point to the project is the Armed Forces Engineering Authority to facilitate all procedures to speed up confining designs for the identified plots and carrying out this large-scale project, the spokesman indicated.

Earlier this year, Minister of Housing, Utilities, and Urban Communities Assem El Gazzar had considered the establishment of 250,000 social housing units for youths and low-income earners across different governorates and new cities, as highlighted in an earlier statement.

SHMFF Attempts to Automate its Real Estate Financing Services



The Social Housing and Mortgage Finance Fund (SHMFF) has signed a cooperation protocol with the Ministry of Communications and Information Technology to automate its services, in a move aimed at developing a digital real estate financing system, Invest-Gate reports.

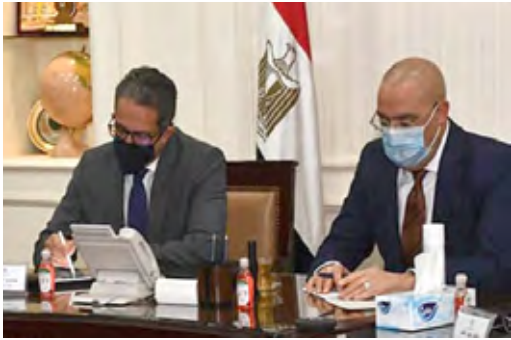
The agreement was inked in the presence of Minister of Housing, Utilities, and Urban Communities Assem El Gazzar, who stressed that both parties will join forces to boost and strengthen the SHMFF's technological capacities and provide the necessary infrastructure to render a well-established digital mortgage system, according to a Cabinet statement on December 8.

On his part, Minister of Communications and Information Technology Amr Talaat highlighted that the move comes in line with the state's plans for digital transformation and financial inclusion, attempting to provide citizens with easy and efficient access to real estate financing services by the SHMFF.

Further, SHMFF CEO Mai Abdel Hamid added that technical advice for project management and approaches for dynamic business environments, paired with specialized technical training, will be provided under the agreement, which will catalyze digital transformation and institutional development.

Last May, the SHMFF had launched its official Facebook page, in line with the fund's strategy to communicate with citizens via social media platforms, while also heightening its use of online services, Abdel Hamid announced in an earlier ministerial statement.

El Gazzar Explores Ways to Rush Execution of New Alamein’s UNIL Campus



Minister of Housing, Utilities, and Urban Communities Assem El Gazzar has held an expanded meeting to discuss ways to begin implementing the international branch campus (IBC) of Egypt’s first hospitality management school in New Alamein, or Swiss-based “University of Lausanne (UNIL),” Invest-Gate reports.

El Gazzar, in the attendance of Minister of Tourism and Antiquities Khaled El Anani, Minister of Higher Education Khaled Abdel Ghaffar, and Swiss Ambassador to Cairo Paul Garnier, among other officials, along with a representative of the Lausanne Hospitality Advisory Authority, emphasized the significance of the new IBC in upping the benchmark across the North Coast

area, according to a December 8 ministerial statement.

Egypt’s branch of the UNIL will help position New Alamein on the global investment map for attracting a plethora of Arab and Middle Eastern students, while also boosting tourist influx in the new coastal city for operating all year round upon inauguration in the near future, the minister explained, before reviewing the technical aspects of design.

On his part, El Anani underscored that the internationally acclaimed project will contribute to brewing a new generation of highly-trained, skilled, and competent students in the field of hospitality management. Accordingly, this would raise the ceiling of tourism and hotel work in Egypt, on top of neighboring countries.

In November 2019, initial designs for New Alamein’s UNIL branch have been officially concluded by one of the global consultancy offices. The 39.5-acre academy, one of the top hospitality management schools in the world, will encompass the main building, dormitories, ballrooms, sports hall, an administration building, and a diverse range of eateries, El Gazzar announced in an earlier statement.

Gov’t Reviews Ways to Create New Construction Permit System



An expanded ministerial meeting was held to discuss ways to develop a new construction permit system that tightens control procedures, particularly using modern technology, bidding to move ahead of the six-month conceptual planning phase to fast-track urbanization, Invest-Gate reports.

The meeting, chaired by Minister of Housing, Utilities, and Urban Communities Assem El Gazzar, in the presence of Minister of Local Development Mahmoud Shaarawi and Head of the Egyptian Engineers Syndicate Hany Dahi, also aimed at determining the framework of the syndicate in this regard, according to an official statement on December 8.

El Gazzar explained, “We are now in a six-month transitional period to outline the proposed

city-scale building and planning controls and requirements for eliminating previous loopholes.” He stresses that there is a golden opportunity to control and govern urban development, which is the first national goal of Egypt.

On his part, Shaarawi confirmed that the planning and building requirements will be concluded during the next six months. New terms include adherence to design and conditions for the implementation of buildings and facilities pursuant to local building codes, approved by the competent administrative authorities.

In late November, the Egyptian government had decided against renewing its six-month construction ban in Greater Cairo and Alexandria to end as of December, as highlighted in a previous official statement.

Accordingly, a six-month transitional period was set to lay out the new building permit system, which includes conditions of obtaining new licenses for new commercial and administrative activities, restrictions on building height and land use for residential purposes, and parking lot design requirements.

Over 9,000 Homes for NAC Employees Almost 92% Done



Merely 9,024 apartments (376 residential buildings) are almost 91.5% complete in Badr City, which are designated for the first batch of government employees to move to the New Administrative Capital (NAC) upon operation of the new city’s ministerial district, Invest-Gate reports.

This came during Iraq’s Minister of Construction, Housing, and Public Municipalities Nazanin Muhammad Wosu tour to the new capital, accompanied by Deputy Minister of Housing, Utilities, and Urban Communities for National Projects Khaled Abbas and Assistant Vice President of the New Urban Communities Authority (NUCA) Kamal Bhagat.

During the visit, Wosu inspected 29,496 housing units (1,124 buildings) in NAC’s Capital Gardens district, which comes in line with President Abdel-Fattah El-Sisi’s “Residence for All Egyptians” national project across new cities nationwide, as highlighted in a December 11 official statement.

With investments valued at EGP 7.5 bn, construction on residential properties at the Capital Gardens area is 62% done, surpassing NUCA’s target achievement rate of 52%, the statement noted.

On his part, Abbas emphasized the special focus put on quality and efficiency throughout the implementation process to deliver units to beneficiaries with the expected specifications.

Last May, Bahgat had announced that 9,024 apartments are 73% finished in Badr City, as part of the government’s plans to relocate 51,000 state employees to NAC, according to an earlier ministerial statement.

Gov't Mulls New Tourism Project in Sharm El Sheikh's Ras Jamila



Minister of Civil Aviation Mohamed Manar has met with Minister of Public Enterprise Sector Hisham Tawfik to discuss ways to carry out a hospitality establishment in Sharm El-Sheikh's Ras Jamila area, Invest-Gate reports.

During the meeting, means of joint cooperation were reviewed for project implementation in partnership between Al Montazah for Tourism

and Investment and EMAC Aqaba Company, as highlighted in a recent ministerial statement.

Last year, the EMAC Aqaba-Al Montazah consortium had reportedly broken off a 2017 cooperation agreement that was signed for bidding in an auction to develop an 850,000-square-meter tourism project in South Sinai's Ras Jamila.

PM Reviews Development of Egypt's Provincial Capitals, Major Cities



Prime Minister Mostafa Madbouly has held a meeting to review the development project of Egypt's provincial capitals and major cities, in line with the presidential directives for the optimal utilization of state assets and provision of new services and projects, Invest-Gate reports.

The meeting is part of the periodic follow up on urban developments to revamp existing cities and areas, in a bid to enhance services for citizens, Madbouly affirmed, while also emphasizing the significance of development projects in Old Cairo, according to an official statement on December 15.

This came in the presence of several government officials, namely Chairman of the Armed Forces Engineering Authority Ehab El-Far and Minister of Housing, Utilities, and Urban Communities Assem El Gazzar, who showcased phase I of the development project of provincial capitals and major cities.

During the presentation, El Gazzar pointed out that such projects aim at establishing integrated urban communities that will provide a plethora of housing units, as a part of the presidential initiative, "Residence for all Egyptians," catering to middle-income earners and slum residents.

These new ventures are complemented by a broad range of educational projects, infrastructure services, social clubs, health

centers, commercial malls, worship places, and more, the minister continued.

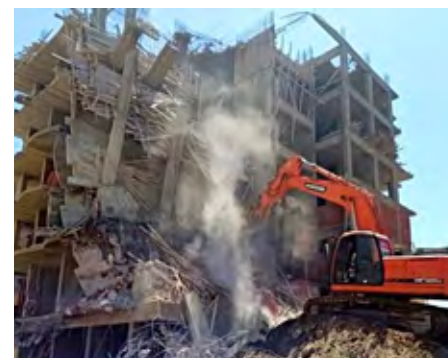
Moreover, El Gazzar discussed work in the comprehensive development project of Historic Cairo, which will revive and change the face of specific areas so that visitors find fun and entertainment by creating a mixed-use cultural center to represent Arab and African civilizations.

Bab Zuweila (Zuwayla Gate), Masjid Al-Hakim (Al-Hakim Mosque), Bab Al-Wazir, Al-Muizz Street, El Gamaleya District (i.e. Khan Al Khalili), Souq Al-Salah, and Al-Saliba Street are among many of Old Cairo's areas coming under the development plan, the statement noted.

Earlier this month, Cabinet Spokesman Nader Saad had confirmed the allocation of EGP 10 bn for phase I of the development project of provincial capitals and major cities, in a move coinciding with efforts on President Abdel-Fattah El-Sisi's "Residence for all Egyptians" national project, as highlighted in a previous Cabinet statement.

On December 14, El-Sisi has mandated the implementation of additional 3,300 housing units nationwide, as part of the latter national project, and as an extension to the state's "Ahalena" social housing project in the vicinity of Ibrahim El Orabi Axis, Presidential Spokesman Bassam Rady revealed in a separate statement.

Egypt Pushes Back Deadline for Reconciliation in Building Violations Till Year-End



Egypt's Cabinet has agreed to keep on receiving applications for reconciliation in building code violations until year-end, in a move coming two days after the expiry of the last deadline on November 30, Invest-Gate reports.

This comes in response to the large volume of reconciliation requests put in citizens, who had crowded into the designated administrative units days before the closing date, Cabinet Spokesman Nader Saad confirmed in an official statement on December 2.

Several non-governmental organizations (NGOs) that are committed to paying reconciliation fees for people living in Egypt's neediest rural communities also appealed to the Cabinet for a deadline extension, Saad further stated, emphasizing the state's keenness to legalize the status of the largest number of real estate properties.

This is the third time the government pushes back the reconciliation deadline since the process kicked off earlier this year, on the back of the numerous settlement applications submitted since Law Number 1 of 2020 was put in effect.

Red Sea Province to See EGP 10.8 bn Public Investments in FY 2020/21

At least 162 development projects, worth a total of EGP 10.8 bn of public investments, are in the pipeline at the Red Sea Governorate as part of the state's "Citizen Investment Plan" for FY 2020/21, which aims to bridge the planning process of Egypt Vision 2030, Invest-Gate reports.

The housing sector secures EGP 3.47 bn (32.2%) of total public investments directed to the Red Sea Governorate, while the oil and gas, electricity, transportation, and local development sectors get EGP 3.19 bn (30.5%), EGP 1.59 bn (14.8%), EGP 784.4 mn (7.3%), and EGP 585.8 mn (5.4%), respectively, whereas other sectors account for EGP 1.05 bn (9.8%), said Minister of Planning and Economic Development Hala El Saeed in an official statement on December 7.

Speaking of investments allotted for the Red Sea Governorate's housing sector in the FY 2020/21 development plan, the most important aspect is directing EGP 2.7 bn to the national social housing program. That is in addition to the allocation of almost EGP 416 mn to water supply and sewerage treatment services, to ensure the safety and wellbeing of the area's residents, El Saeed continued.



She explained that this comes as part of the continuation of the Citizen Investment Plan across Egypt's governorates for the second year in a row, with the FY 2020/21 plan marking a 31% increase over investments allocated for FY 2019/20.

According to the statement, the Citizen Investment Plan includes the most prominent features of the Sustainable Development Plan for FY 2020/21 at the national level. It also covers the key economic indicators for each governorate, represented in the gross domestic product (GDP), real growth rate, unemployment rate, labor force participation rate, among other data.

Al Marasem Begins Delivery of New Cairo's Fifth Square Phase I



Al Marasem International for Development has commenced deliveries at the first phase of its New Cairo project, or "Fifth Square," featuring a total of 576 fully-finished residential units (42 buildings), Invest-Gate reports.

The timely completion of work on phase I of the 158-acre gated community marks a milestone for the Egypt-based developer, particularly amid the COVID-19 woes, said Al Marasem in a press release on December 21.

The handover of properties within the first phase of New Cairo's Fifth Square is proceeding as of November 15, the statement added.

Al Marasem has also managed to export properties to buyers from Arab and European countries, on top of the US, the Far East, and

China, in line with the state's policy for selling real estate abroad.

Launched in 2017, Fifth Square comes with investments valued at EGP 23.5 bn, comprising an array of fully-finished apartments and villas equipped with air-conditioning. Green spaces, gardens, playgrounds, swimming pools, social clubs, and other amenities are all at hand.

"Residents will have the convenience of living steps away from 'The Mall' – the compound's commercial component. It will boast 300 top local and international brands, a cinema complex, a hypermarket, coffee shops, food courts, restaurants, kids areas, along with parking lots for 3,500 vehicles," read the statement.

Back in 2019, Al Marasem had launched a new partnership system for its Fifth Square project, thereby enabling clients to invest in a top-quality product with a high rate of return on investment (ROI), according to an earlier statement.

The "Partners and Not Only Clients" concept allows buyers to pay 50% of residential units' value within Fifth Square over four years. The remaining 50%, however, is owned by Al Marasem's arm for assets development and management.

Tatweer Misr Wins Outstanding Contribution to Entrepreneurship Award



Egypt-based real estate developer Tatweer Misr has received Entrepreneur Middle East's Enterprise Agility Awards 2020, in recognition of its "Outstanding Contribution to Entrepreneurship," Invest-Gate reports.

During an official ceremony in Dubai, UAE, where leading figures and companies were awarded for their contribution to different fields, Tatweer Misr President and CEO Ahmed Shalaby virtually received the award to recognize the company's efforts to enhance the Egyptian entrepreneurial ecosystem, as highlighted in a press release on December 22.

Speaking of the milestone, Shalaby pointed out, "It is an honor for Tatweer Misr to receive this award, it is a reflection of the company's ongoing hard work to support entrepreneurship. I am optimistic about the entrepreneurial scene in Egypt and the region as a whole."

"Since the company's establishment in 2014, we have kept entrepreneurship at the core of our business activities. Tatweer Misr has given special attention to education and entrepreneurship as our two main pillars for its social development programs," the executive added.

Over the past six years, Tatweer Misr has supported several youth-related activities through partnering with entrepreneurs, sponsoring entrepreneurial-based events and activities, amongst other related activities aimed at directly or indirectly underpinning entrepreneurship and education in Egypt.

Egypt Economic Summit Sees Bright Future for Local Real Estate Sector

Egypt Economic Summit has discussed the future of the country's real estate sector amid the Coronavirus woes, highlighting the benefits of the health crisis on the market, Invest-Gate reports.

Developers confirm during the one-day event—under the auspices of Prime Minister Mostafa Madbouly— that the sector has benefited from the crisis, which includes the electronic transformation and the understanding of the new needs.

During the panel discussion, Hyde Park Developments CEO Amin Serrag indicated that the Egyptian real estate scene has indeed benefited from the continued COVID-19 shock through digital transformation.

On his part, Mountain View Founder and CEO Amr Soliman praised the measures taken by the state to combat the pandemic crisis; not to mention its keenness to balance between safety and economy. He further points out that Mountain View has achieved sales of EGP 9 bn as a result of the precautionary steps taken by the company to deal with the ongoing pandemic.

Meanwhile, Inertia CEO Ahmed El Adawy expressed his optimism for the real estate sector in the upcoming period, given the experience companies have obtained in dealing with crises.



Deputy Minister of Housing Walid Abbas revealed that more than 110 ministerial decisions have been approved for real estate projects on an area of more than 47,000 acres during the current year, which affirms that the government has succeeded in confronting the COVID-19 hit.

Moreover, Tatweer Misr President and CEO Ahmed Shalaby said that the fourth-generation cities are a turning point for the Egyptian real estate sector, pointing out that the government has begun to adopt a new approach to construction in Egypt.

Head of the Real Estate Development Chamber Tarek Shoukry confirmed that the germ episode proved Egypt's strength in facing crises, pointing out that real estate developers have dealt well with the Coronavirus disruption.

Phase I of New Zayed's Karmell Sells Out on Launch Day: SODIC



Sixth of October Development and Investment Company (SODIC) sold out the first batch of residential units at its newest 240-acre west Cairo project in New Zayed, dubbed "Karmell," on the first day of launch on December 16, Invest-Gate reports.

This is the second project to be rolled out within SODIC's 500-acre plot in New Zayed, following the successful launch of the "VYE" gated community in late 2019, both developed

in partnership with New Urban Communities Authority (NUCA), according to the Egypt-based developer's recent press release.

The first phase of Karmell comprises several contemporary residential buildings, including fully-finished double-floor houses, with modern floating stairs to bridge the vertical distance. That is besides some affordable villas designed to comprise private quarters for parents/couples and garden rooms.

Speaking of the latest addition, SODIC's CCO and COO Nabil Amasha commented, "We are very excited that the new concept and products were so well received by our clients. This project targets young home seekers looking for easy living and understated sophistication."

In December 2019, SODIC has announced selling out EGP 1 bn worth of units at its New Zayed project, called "VYE," in 48 hours only due to high demand, as highlighted in a prior statement.

Ghabbour, Other Investors Acquire NCHD for USD 50 mn



Some Egyptian businessmen have recently acquired the New City Housing and Development Company (NCHD), a subsidiary of Orascom Development Egypt (ODE), through an English investment fund and GB Capital, in a move valued at USD 50 mn (EGP 787.1 mn), Invest-Gate reports.

The deal was lead by one of GB Capital companies owned by Raouf Ghabbour, as a member of the board of directors, along with a group of Egyptian Investors Alliance, coming on the back of NCHD's outstanding achievements since its foundation 13 years ago, according to a press release on December 19.

NCHD, which will be rebranded to "Newcity Developments," offers numerous investment grabs represented in a 300-acre land portfolio ready for development, which may feature commercial and retail activities, paired with a possible real estate inventory of up to 12,000 homes, the statement noted.

Specialized in building affordable integrated urban communities, the Egypt-based company owns a 2.6 mn-square-meter integrated project in west Cairo's 6th of October City, called "Haram City," featuring schools, clinics, worship houses, sports facilities, and many others to serve 40,000 residents. That is besides another 800,000-square-meter compound in Upper Egypt's Qena province, named "Qena Gardens," encompassing a diverse range of high-quality residences by providing a brand-new concept for urban development.

Speaking of the news, Ghabbour hailed the "biggest acquisition of 2020," indicating that NCHD holds a promising vision that will render practical solutions for the Egyptian real estate sector at a time when it is witnessing an increasing and continuous demand.

PHD Closes its Largest Securitization Transaction



Palm Hills Developments (PHD) has announced closing its fifth and largest securitization bond, in a transaction backed by a receivables portfolio of EGP 1.5 bn, and handled by the Arab African International Bank (AIIB) and CI Capital Investment Banking (CIIB), Invest-Gate reports.

The move translates into net proceeds of EGP 1.25 bn, corresponding to 1,314 delivered residential units in PHD's Golf Views, Golf Extension, Woodville, Palm Valley, Palm Parks, Village Gate, Hacienda Bay, Hacienda White 2, Capital Gardens, Palm Hills Katameya, as well as, Palm Hills Katameya Extensions 1 and 2 projects, according to the Egypt-based developer's November 29 bourse filing.

The triple-tranche bond issuance carries maturities of 13, 36, and 61 months that received AA+, AA, and A ratings, respectively, from the

credit rating agency Middle East Rating and Investors Service (MERIS), the statement noted.

Commenting on the news, PHD Chairman and CEO Yasseen Mansour confirmed, "The impact of the said transaction will positively impact the company's financial statements in Q4 2020. We expect to engage in further securitization transactions in 2021 with gross receivables portfolio of c. EGP 2.5-3 bn."

Mansour further stated, "We have securitized gross receivables worth EGP 3.6 bn since we started the securitization program back in 2016."

In October 2019, PHD and Sarwa Capital had secured the fourth securitization bond issuance, backed by a receivables portfolio worth EGP 776 mn, bringing the former company's securitized total gains to EGP 2.4 bn at the time, as highlighted in a previous EXG filing.

Ajna's Carnelia Secures Major Profits in Ain Sokhna

Ajna Developments CCO Sherif Saleh has confirmed Carnelia Sokhna sales have reached EGP 1 bn, Invest-Gate reports.

Carnelia Sokhna has secured a profit of EGP 1 bn, achieving its target sales of 2020. He says, "The demand in the Galala and Ain Sokhna area has increased by 30% during the year 2020, coinciding with the completion of the National Project of Galala."

Saleh further indicates that the urban development plan that the government implemented recently with the establishment of the sustainable cities have reshaped the investment map of the real estate sector and increased investment opportunities in several coastal cities, including Galala in Ain Sokhna, which has become one of the most attractive areas for Ajna clients.

Carnelia features international design standards with built-up area not exceeding 17% of the total project size (100 acres), while allocating the remaining space for services and recreational purposes. Carnelia aims to achieve the highest



standards in luxury, comfort, and stability for its inhabitants; not to mention the diversity of unit sizes ranging between studios, chalets, and villas, all of which receive full finishing and are overlooking the sea.

As per the Ajna press release, payment has been facilitated to all clients according to each financial solvency with a maximum of 10% down payment and flexible installment plans of up to 10 years.

LMD to Bring Africa's 1st W Branded Residences to Egypt



Egypt-based real estate developer LMD has signed an agreement with Marriott International to bring Africa's first "W" branded residences to its flagship mixed-use project in New Cairo, or "One-Ninety," Invest-Gate reports.

Set to open in 2024, "W Residences Cairo" will feature 300 residential units, as part of the bigger complex composed of "W Cairo," which is expected to mark the debut of W Hotels in Egypt. That is in addition to a clubhouse that boasts a fitness center, jogging track, games room, library, swimming pool, and more, according to the company's official statement on November 30.

Vice President, Mixed-Use Development (Middle East and Africa), at Marriott International Jaidev Menezes noted, "Following the announcement of W Cairo earlier this year, we are delighted to work with LMD to now launch our first residence development under the W brand in Africa. There is a growing demand for luxury living in Egypt and the W Residences Cairo will be a great fit for the One-Ninety development with its vibrant design and impeccable service."

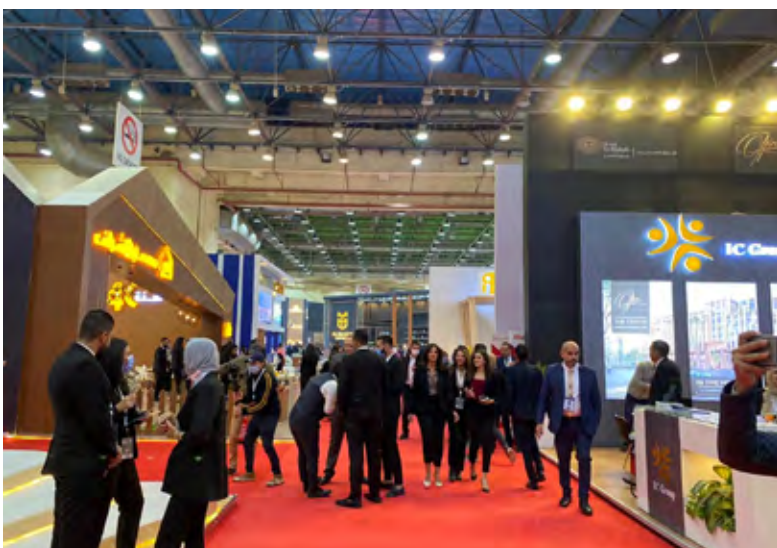
On his part, CEO of LMD Amr Sultan indicated, "We seek to work with recognized experts in their fields to achieve true competence and deliver on our promises by an innovative approach to luxury and lifestyle living. We are excited to collaborate with Marriott International to launch the signature W Residences and introduce a new segment of premium-quality living and lifestyle to New Cairo."

W Residences Cairo will be adjacent to the 75,000-square-meter administrative building, dubbed "Office Park," which features state-of-the-art office spaces with a built-up area of 200,000 square meters, together with an array of premium retail components touching down in Egypt exclusively at One-Ninety.

With a total built-up area of 450,000 square meters, One-Ninety offers a mix of administrative, retail, commercial, and residential properties, coming with investments estimated at USD 2 bn (EGP 31.3 bn).

EPIS 2020 EDITION BODES WELL FOR EGYPT'S PROPERTY MARKET

Coming under the patronage of the Ministry of Housing, Utilities, and Urban Communities, the real estate exhibition was held at Cairo International Convention Center (CICC). It was inaugurated by the New Urban Communities Authority (NUCA) Deputy Head of New Cities Alaa Abdel Aziz, in the presence of several other officials and dignitaries.



While touring the exhibiting developers' booths, Abdel Aziz hailed the newest updates on the in-progress property developments, along with the tailor-made offers and payment plans presented exclusively during EPIS to attract all income groups.

The deputy head also praised the state's efforts to combat the pandemic woes, not to mention its keenness to balance between safety and economy. He expressed his optimism for the Egyptian realty sector in the upcoming period, given the experience companies have gained in dealing with crises.

To ensure guests' safety and health, the necessary precautionary measures were put in place (i.e. use of masks, social distancing, etc.) throughout the four-day event. That was paired with online sign-up using QR codes and/or digital credentials, on top of limiting the use of physical lanyards and badges where possible.

Aiming to cater to all social classes, a vast collection of urban developments from all over Egypt was showcased by exhibitors, in the pipeline at the New Administrative Capital (NAC), Mostakbal City, New Cairo, 6th of October City, Ain Sokhna, New Alamein, and more.

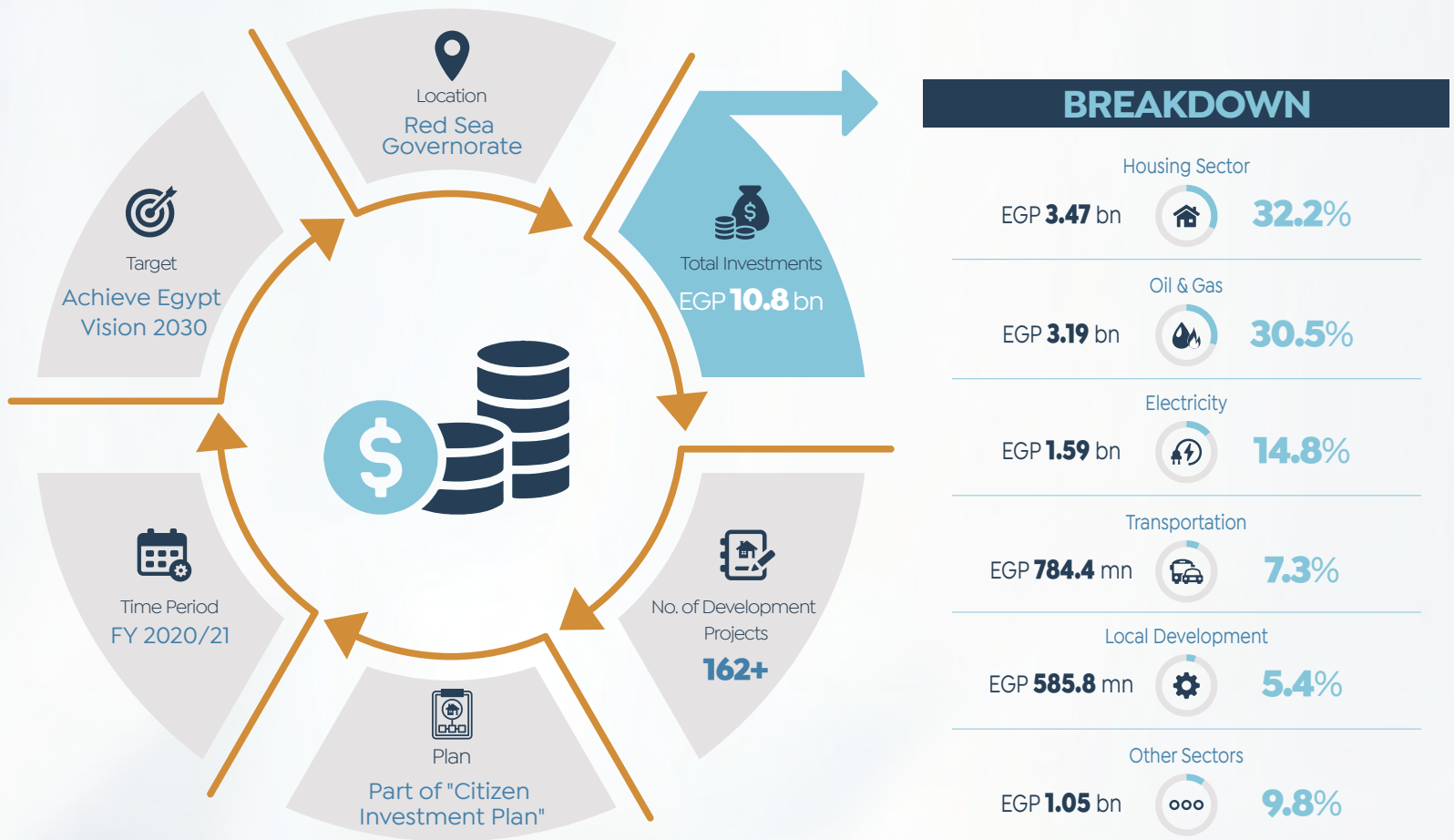
Akam Developments, Arqa Development Group, Castle Development, El Attal Holding, Lasirena Group, La Verde Developments, Master Group, and Real Mark Developments were just a few of the developers taking part in the annual property show, continuing to consider physical exhibitions as an all-time favorite marketing tactic.

With Zavani by El Fouad Holding and MBG Development being the gold sponsors, EPIS was organized by 2H Exhibitions Management, hand in hand with AI Nayrouz Exhibitions as the business partner and Everest Real Estate Investment as the business sponsor.

EPIS' media partner was, as usual, Egypt's leading real estate information platform Invest-Gate, whereas Qatar National Bank (QNB) and Aqarmap were the official banking and property portal partners, separately.

REAL ESTATE MARKET UPDATES

PUBLIC INVESTMENTS



NEW INVESTMENT ALLOCATIONS FOR HOUSING SECTOR



GOV'T LIFTS CONSTRUCTION BAN



EXTENSION FOR RECONCILIATION DEADLINE IN BUILDING CODE VIOLATIONS




Source: Ministry of Planning & Economic Development (MPED) & Cabinet

NEW CITIES UPDATES


DEVELOPMENT PROJECT OF PROVINCIAL CAPITALS & MAJOR CITIES (PHASE I)


 **EGP 10 bn**
TOTAL FUNDS


 **500 mn**
TOTAL NO. OF HOUSING UNITS

 **TARGET** Follow Presidential Directives for Optimal Utilization of Lands

Provide New Services & Projects & Achieve Urban Development

 **2**
NO. OF PHASES

Phase I
Renovation of Homes  **13** Different Areas
LOCATION

Phase II
Renovation of Homes  **31** Other Cities
LOCATION

UPDATES ON NEW OCTOBER

 **West Cairo**
LOCATION

 **800 Acres**
AREA OF INSPECTED PROJECTS

 **EGP 12 bn+**
TOTAL INVESTMENTS

 **EGP 37 bn+**
INVESTMENT OPPORTUNITIES

 **Achieve Egypt Vision 2030**
TARGET


HIGH DEMAND FOR 125,000-SOCIAL-HOUSING-UNITS PROJECT

 **26,000+**
NO. OF SERIOUS BUYERS

 **December 7**
RESERVATION DEADLINE

 **160,000**
NO. OF SUBMITTED APPLICATIONS


UPDATES ON ICONIC TOWER

 **New Administrative Capital (NAC)**
LOCATION

 **80**
TOTAL NO. OF STORIES

 **49 Stories Done**
COMPLETION RATE

 **240 m**
CURRENT HEIGHT

 **400 m (Tallest in Africa)**
EXPECTED HEIGHT

 **EGP 46.9 bn (USD 3 bn)**
TOTAL INVESTMENTS

UPDATES ON CAPITAL RESIDENCE

 **R3 District, NAC**
LOCATION

 **90%**
COMPLETION RATE

UPDATES ON NEW GARDEN CITY

 **R5 District, NAC**
LOCATION

 **82%**
COMPLETION RATE

PRIVATE REAL ESTATE PROJECTS UPDATES

NEW RESIDENTIAL PROJECTS

BAYSIDE

Developer: El Attal Holding



LOCATION

Ras Sudr, South Sinai



COMPLETION RATE

95% Complete



TOTAL INVESTMENTS

EGP 1.5 bn



DELIVERY DATE

Q4 2021

SUPPLY VOLUME

Part I : Residential Segment

160 Luxurious Fully-Furnished Hotel Properties

32-Key Hospitality Establishment

Units Range from Chalets to Standalone Villas

Starting Price → EGP **1.65** mn

Unit Areas → **70-400**m²

Part II Commercial Assets & Entertainment Spots

Services Projects



NEW COMMERCIAL PROJECTS

NEW PROJECT (Name N/A)

Developer: Doja Developments



LOCATION

Downtown District,
NAC



AREA

3,000m²

SUPPLY VOLUME

Commercial & Administrative Spaces
& Medical Facilities

Payment Plan → **10**-Yr Installments

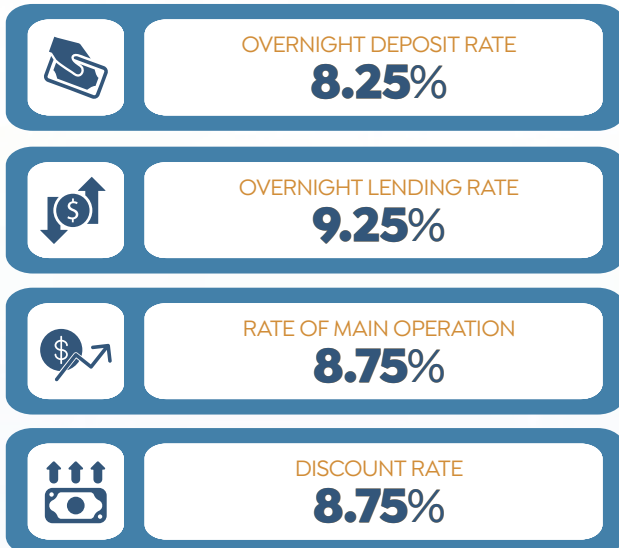
Medical Unit → EGP **20,000**/m²
Starting Price

Commercial Unit → EGP **35,000**/m²
Starting Price

Source: Developers' Official Statements

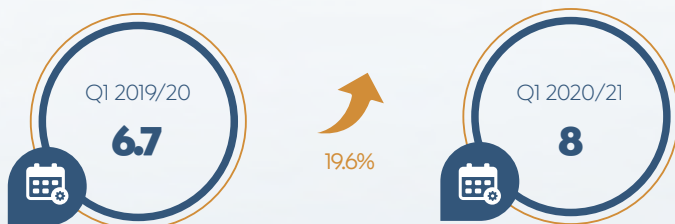
ECONOMIC SNAPSHOT

INTEREST RATES

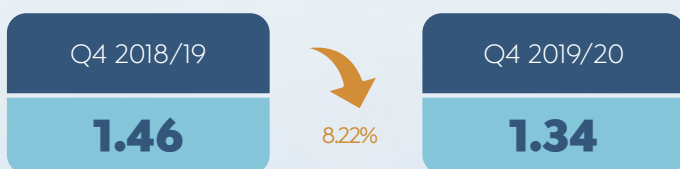


*Based on MPC Meeting on December 24

EGYPTIANS REMITTANCES (USD BN)



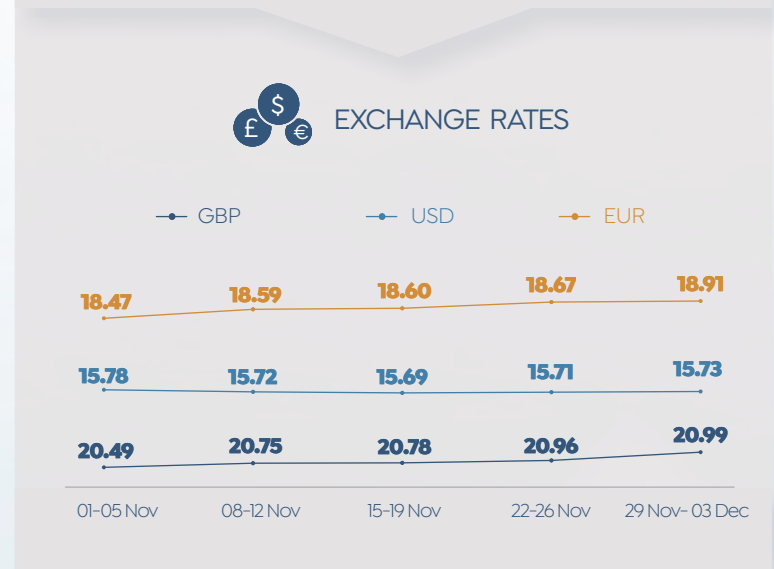
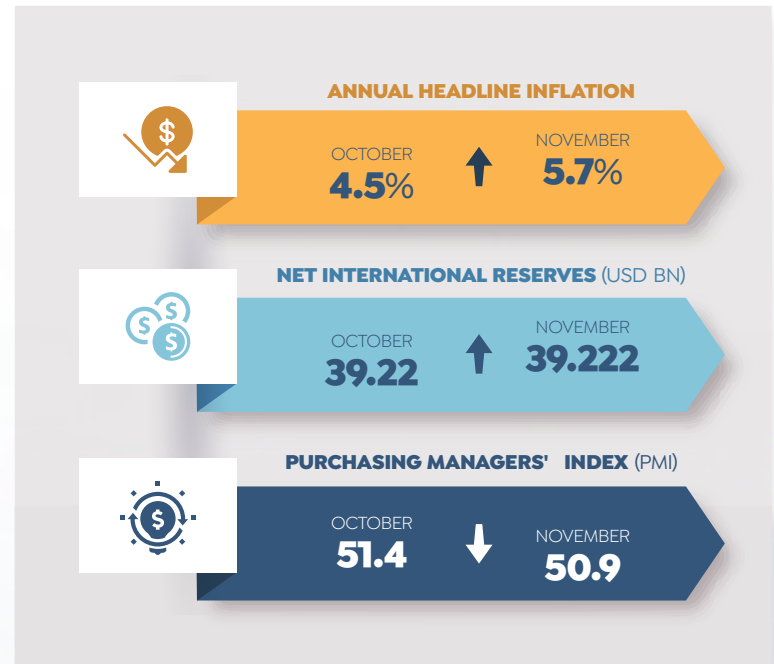
SUEZ CANAL REVENUES (USD BN)



POVERTY RATE



Source: CBE, Central Agency for Public Mobilization & Statistics (CAPMAS), IHS Markit, EGX & MPED



FULL ANALYSIS

FACTS & FIGURES

EGYPT'S REALTY SECTOR & COVID-19

REACT, ADAPT, RECOVER

BY DINA EL BEHIRY

By default, entering a new year means a fresh start for the world. This hope stems from the battle that almost all nations are going through to find out an appropriate vaccine to combat the Coronavirus outbreak. Several pharmaceutical companies have managed to come up with vaccines with various effectiveness rates. Not only that but also, these vaccines are on the way to spread in several countries, in an attempt to overcome this ongoing catastrophe.

The government pays a great deal of attention to upsurge the investments allotted for developing the Egyptian governorates. Thus, around 162 projects, with an investment cost of EGP 10.8 bn are in the pipeline at the Red Sea governorate. The housing sector secures EGP 3.47 bn (32.2%) of total public investments directed to the Red Sea Governorate, while the oil and gas, electricity, transportation, and local development sectors get EGP 3.19 bn (30.5%), EGP 1.59 bn (14.8%), EGP 784.4 mn (7.3%), and EGP 585.8 mn (5.4%), respectively, whereas other sectors account for EGP 1.05 bn (9.8%), said Minister of Planning and Economic Development Hala El Saeed in an official statement in December.

Additionally, the Cabinet pushed back the deadline for receiving reconciliation requests for building violation codes for the third time. The new deadline was the end of 2020. This comes in response to the large volume of reconciliation requests put in citizens, who had crowded into the designated administrative units, days before the closing date, according to the Cabinet Spokesman Nader Saad.

Another move to reinforce the property market occurred when Egypt's government has decided against renewing its six-month construction ban in Greater Cairo and Alexandria to end as of December, setting a six-month transitional period to outline the proposed city-scale building and planning controls and requirements for eliminating previous loopholes. This was announced during a Cabinet meeting back in November.

In a bid to bolster the property industry, Egypt's government pays a great deal of attention to the development of new cities. Accordingly, around EGP 10 bn were allotted for phase I of the development project of Egypt's provincial capitals and major cities, in line with the presidential directives for the optimal utilization of state lands and provision of new services and projects, Saad revealed in a separate statement in December.

When it comes to the New Administrative Capital (NAC), work is in full swing. Minister of Housing, Utilities, and Urban Communities Assem El Gazzar previously confirmed that 49 stories of the 80-story Iconic Tower have been built so far, thereby standing at 240 meters high. He further explained that NAC's R3 District – also called "Capital Residence" – is 90% complete, while construction work on New Garden City (R5 District) is 82% done.

Private Sector Updates

It is not only the government that spares no effort to reinforce the country's realty sector, Egyptian property developers are the main wheel to rejuvenate the market. In the face of the pandemic woes, local real estate companies have been launching new developments amidst the outbreak, while also working around the clock to stick to their timelines and avoid any delays.

Regarding new residential projects, El Attal Holding released its first flagship project in Ras Sudr, South Sinai, dubbed "Bayside." The EGP 1.5 bn project will be executed over two phases, the first of which comprises an array of commercial, service, and entertainment spots. The other half, however, incorporates the residential component which ranges from chalets to standalone villas, including areas that vary between 70 and 400 square meters.

Economic Situation

Just as we mentioned earlier entering a new year raises hope and optimism that we can overcome the difficulties we face, especially after the vaccines spread worldwide. That is in addition to Egypt's government's readiness to face any other waves of the pandemic, motivating all citizens to follow the precautions needed to combat the outbreak.

Looking at some major economic indicators, we will find that the net international reserves witnessed an increase of around USD 1.8 mn, reaching USD 39.222 in November. However, the annual inflation rate upsurged hitting 5.7% in November after it was 4.5% a month earlier. That growth was mainly pushed by the increase in the prices of food and beverage.

On the other end of the spectrum comes the non-oil private sector. Based on the Purchasing Managers' Index (PMI) issued by IHS Markit, Egypt is moving on the right side of the track; however, at a descending rate in November reaching 50.9, after marking 51.4 in October.

When looking at efforts exerted by the government, while also considering expectations of international institutions on Egypt's status quo, it seems that the North African country is succeeding in facing such a catastrophe. Public and private sectors are bidding for urban development, thereby chasing opportunities to cope with the world's rapid steps to bounce back even stronger.

SCOPE-OUT EGYPT'S REAL ESTATE SCENE IN 2020

Almost a year now and the Coronavirus hit has disrupted and impacted lives in unprecedented ways. Although global economies are bidding to climb back from the depths of the crisis, this calamity is far from over.

From last March to date, all countries - with no exception - share the burden and the responsibility to stand resilient against the pandemic disruption. With an eye on Egypt, the real estate sector is witnessing unfavorable market conditions due to the COVID-19 shock, standing immune up until this point.

For starters, local realty players continued to push the development wheel to launch new projects and religiously stick to their deadlines, in line with the state's urban development plan which aims at inaugurating at least 20 new cities in 2021.

That is why Invest-Gate's R&A team takes a pulse check on the Egyptian property industry to track the 2020 achievements and pitfalls, therefore providing some deep insights and identifying the influence gauge of Coronavirus on the overall sector. Better yet, we assume some well-thought-out anticipations on Egypt's real estate market stance in 2021.

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RECONCILIATION LAW

LEAVES PROPERTY DEVELOPERS HOPEFUL FOR BETTER FUTURE

BY RANIA FAZZA

In the effort to put an end to the building code violations dilemma, the government continues to steam over illegal constructions, which have been enervating on housing and cities in Egypt for years or maybe decades. The country lost about 400,000 acres of agricultural land for urban sprawl, with unplanned settlements representing almost 50% of total urban areas and villages nationwide.

After citizens put in more than 2.1 mn applications, Egypt's Cabinet has agreed to keep on receiving requests for reconciliation in building code violations until year-end, in a move coming two days after the expiry of the last deadline on November 30. Besides, incomplete petitions get some indulgence to allow the largest number of citizens to reconcile with the state.

That was the third time the closing date gets extended, on the back of the numerous settlement appeals since Law Number 1/2020 came to light, which "reflects public keenness on legalizing cases," Prime Minister Mostafa Madbouly previously stated in a Cabinet statement.

The new bill, which saw long periods of negotiation on amending Law number 17/2019, owes to thousands of dilapidated buildings currently on the verge of collapse, paired with some new informally-built towers – factors propelling expedition of the process.

Following an in-depth analysis of the bottom line, back when all ongoing private housing work came to a six-month halt until owners present unit masterplans to verify fitting with building codes, Invest-Gate provides updates on the controversy over Egypt's Construction Violations Reconciliation Law. We also give an assortment of developers' reflection entries to draw a complete picture of this so-called "tailor-made pandemic for real estate."

Current Progress

For starters, the law raised the ire of almost all citizens for the expensive procedures and paperwork to meet the vast array of reconciliation demands. On the contrary, the government says the move aims to fulfill the state's rights, tackle slum formation, and curb building violations.

The new bill stipulates settling warranting penalties of 5-100% of the land value (or EGP 50 to EGP 2,000 per square meter) to resolve violations before December; otherwise, demolition and military prosecution procedures shall begin forthwith for rejected or pending applications.

As a result, the government would generate about EGP 150 bn, with the majority of the projected revenue earmarked for public housing and infrastructure. Recently, Minister of Local Development Mahmoud Shaarawy confirmed the collection of fines valued at around EGP 1.1 bn to date.

More reasons for resentment include the fact that not all violations can be reconciled, notably buildings that fail the structural integrity tests, those built on state-owned land, and construction on protected areas such as heritage and Nile bank zones.

In the same vein, Yahia Shawkat, researcher and co-founder of 10 Tooba, explains that repercussions due to the Coronavirus crisis have greatly influenced people's pockets, and thus, the imposed fines are sort of overpriced for most income groups.

“Given the current high prices, fines should be cut in half to be affordable for all. The law should also be rectified to permit each family for cost-free legalization of one home; only owners of multiple properties pay penalties for reconciliation for being considered investors.”

Yahia Shawkat
Researcher & Co-founder of 10 Tooba

The informal housing sector, which represents a big chunk of Egypt, will be affected by this bill in a way or another, he affirms, stressing, “The reconciliation law may somewhat slow down activity in the informal sector, specifically for investment projects in urban areas, as housing prices simultaneously climb up in unplanned settlements amid further development.”

Developers Reaction

On the other hand, developers have volatile expectations, especially when the question of “what happens after the deadline to settle violations

expires” comes up, let alone the long-term impact on the Egyptian real estate market.

Mountain View Chairman Amr Soliman sees the reconciliation law as a positive step forward, indicating, “It is a typical problem-solving concept. Nonetheless, it marks a success for the current political leadership that will prove efficient for the property industry in the long run.”

In a similar vein, The Land Developers Chairman and CEO Ahmed El Tayebi argues that the decision-making should have been enforced 30 years ago. He remarks, “Over the years, we saw these building violations take place, with no consequences taken whatsoever.

“The reconciliation law provides the housing sector with a new birth certificate, while also supporting the state to calculate the total number of buildings across the country. Therefore, it should be deemed a welcome development in all respects.”

Ahmed El Tayebi
The Land Developers Chairman & CEO

When asked about the justness of penalties, the executive believes the pricing of fines is reasonable and feasible by everyone, pointing out that these new amendments send a message of hope that all areas will be legal soon.

Likewise, El Attal Holding Vice-Chairman Mohamed Elattal agrees on the significance of this legislation as affirmative progress toward a bright future for the Egyptian property market, promising a legalized status for all real estate developments and an interminable break from building violations.

Bringing a different aspect to the problem, Al Futtaim Real Estate Managing Director Ashraf Ezz-El Din underlines that the newly-amended bill is a double-edged sword, as it means well but requires a few adjustments.

“It may possibly help cease building code violations, but 30 years of wrongdoing will not be resolved in haste,” Ezz-El Din tells Invest-Gate, adding that proceedings should come through differently since many people are panicking as it appears that every violation will cost a fortune for reconciliation.

In a nutshell, since one of the main aims of the reconciliation bill is the preservation of local real estate assets, the Egyptian government needs to adjust certain regulations and procedures, alongside addressing impediments to law compliance, in an attempt to make both developers and citizens jump on the bandwagon of a violation-free housing sector.



REAL ESTATE DURING CORONAVIRUS

TO INVEST OR NOT TO INVEST?

BY **RANIA FAZZA**

Real estate is meant to be safe indeed for living and/or savings. The old saying “safe as homes” is ample evidence of this, and thus, investing in property is usually a top pick for those looking to hinge on reliable assets in times of turbulence. In 2020, the Coronavirus hit, which left everyone in a state of extreme uncertainty and fear of the future, has somewhat prompted extra widespread interest in real estate investment.

With Egypt being one of the largest rising realty sectors in the MENA region for the past couple of years, we happen to bump into the question of how safe it is to gamble on real estate amid the pandemic. Invest-Gate takes these auguries to local market players to figure the bottom line.

Resilience vs. Robustness in Face-Mask Era

For starters, Fitch Solutions sees robust demand for Egyptian real estate, despite repercussions due to the COVID-19 shock, fuelled by the introduction of 20 new cities and the upgrading of 23 existing others.

That is paired with the continuous addition of office assets sought after by banks and financial institutions, with Cairo remaining an epicenter, particularly in the New Cairo neighborhood, as highlighted in its latest "Egypt Real Estate Report."

As the country's property industry proves resilient against the havoc wrought by the outbreak, the positive outlook by research firms, including Fitch Solutions, proves that there is an opportunity, direction, and motivation for strengthening consumer purchasing power.

However, many Egypt-based real estate companies consider the upward trend in property investment amidst tough times as a typical reaction when dealing with "the unknown."

Today's investors are smart money; they do their research before making any step to get the utmost benefits, says Mountain View Chairman Amr Soliman. Regardless of any calamities, people often turn to invest in real estate to cash in on higher interest rates, even more than banks.

“It is important to highlight that Coronavirus was not the motivator for whetting investors' faith in property. Instead, payoffs during the health crisis represent an outturn of risk-averse in terms of investing.”

Amr Soliman
Mountain View Chairman

Al Ahly Sabbour Developments CEO Ahmed Sabbour provides similar sentiments and reiterates that real estate has always been deemed a safe bet for investors way before the germ episode – which began pounding global markets in early 2020.

“For more than 50 years, we have seen more and more clients putting their money into properties for consistently increasing in value over time and outperforming other investments. By this, investors have been building real estate fortunes over the past two decades,” Sabbour tells Invest-Gate.

Egypt, according to Al Futtaim Real Estate Managing Director Ashraf Ezz El-Din, is generally known for low-risk real estate investment. “That means the norm in the country's pre-COVID-19 world, for anyone who seeks high returns, low risks, and tax advantages, is to own an investment property,” he elaborates.

*When examining the demand for real estate in Egypt, there is still hope for the biggest chunk of the population to purchase properties. Last November, the Central Agency for Public Mobilization and Statistics (CAPMAS) said marriages in Egypt inched up by **4.6%** in 2019, driven by **928,800** couples tying the knot throughout the year versus **887,300** in 2018.*

As the nation's interest in holy matrimony continues to show no signs of a turndown, El Attal Holding Vice-Chairman Mohamed Elattal says, in contrast to selling and renting, it is never a bad time to buy dream homes in Egypt, whether for marriage, investment, and/or other purposes.

Over the years, property investment got anchored within the multilayered complexity of the long-standing Egyptian culture, marking a safe harbor against potential market risks for investors seeking conservative long-term capital appreciation, Elattal explains.

The Land Developers Chairman and CEO Ahmed El Tayebi affirms that real estate is a store of value in an otherwise volatile market. However, the global economic slowdown has undoubtedly left a negative imprint on demand levels in Egypt, but not as severe thanks to the recently-introduced policy reforms.

To conclude, the combination of price appreciation, rental income potential, and the inherent tax benefits makes property investment hard to beat. Despite the current economic climate, real estate will always be the best bet to secure a long-term investment.



NEW CITIES IN EGYPT

URBAN GROWTH & JOB-CREATION MACHINE

BY RANIA FAZZA

When embarking on the National Strategic Plan for Urban Development 2052, Egypt's endeavors were not only limited to the implementation of new cities and suburbs far from the center; instead, it vows to improve citizens' quality of life altogether. Indeed, carrying out large-scale megaprojects such as the New Administrative Capital (NAC) and New Alamein translates into numerous business and investment opportunities, and most importantly, job creation.

Locally speaking, the provision of new job opportunities is currently the number one priority for public and private sectors than at any other time in the past, particularly with the skyrocketing levels of unemployment posing a challenge for Egypt's economic growth.

In the language of maths, the Central Agency for Public Mobilization and Statistics (CAPMAS) had confirmed that the North African nation's unemployment rate accelerated to a near two-year high in Q2 2020, recording 9.6% as the COVID-19 hit puts a damper on business activity.

Adding to the already severe nature of this job crisis, Egypt is already the most populous country in the Middle East, projected to see a population boom in the coming 30 years, with a recently-released UN report, called "World Population Prospects," expecting the number of Egyptians to reach 1.6 bn by 2050.

These alarming figures call for action and prompt a heated debate over the significance and added-value of the newly-introduced cities in terms of economic opportunities and jobs for youth. Invest-Gate digs deep trenches into all these respects to find how the Egyptian state and real estate developers work to meet the needs of job seekers, paired with new labor market entrants.

Numbers Talk

For starters, the government is now gearing to bring a new map for urban development to life in Egypt through integrated, cross-sectoral planning.

Accordingly, authorities have been rolling out various residential, commercial, industrial, administrative, medical, and other related activities under one roof, resulting in a myriad of labor supply.

The newly-developed East Port Said Industrial Zone, for instance, is providing between 28,000–33,000 direct and indirect job opportunities. Moreover, 58 factories in Port Said are set to render around 5,000 jobs for young people in the area, as highlighted in recent ministerial statements.

Meanwhile, some other ongoing industrial establishments in New Ismailia are expected to generate almost 100,000 job opportunities, according to a separate official statement.

Looking at the long-awaited NAC, Chairman of the Administrative Capital for Urban Development (ACUD) Ahmed Zaki Abdeen earlier revealed that at least 170,000

jobs were created in the construction, operations, and maintenance of the new capital's government district.

An additional 100,000 public jobs will be brought about upon relocation of ministries following the new capital's inauguration in 2021, Abdeen continued.

That is just a handful of efforts directed to cater to job seekers from all experience levels and work styles, especially with the government attempting to introduce 20 new cities and upgrade 23 existing others across the country, thereby contributing to millions of new jobs, based on Fitch Solutions' latest "Egypt Real Estate Report."

Al Ahly Sabbour Development CEO Ahmed Sabbour indicates the importance of developing new cities, including the New Administrative Capital, New Alamein, and many others. He emphasizes that this marks the ultimate goal that investors have longed for: executing developments in cooperation with the government (i.e. the New Urban Communities Authority (NUCA)).

That means that there is always a new building or project coming up, and with it appears the need for a myriad of workers, reflecting positively on job creation and reinforcing the construction industry's position as one of the largest seasonal employment providers, Sabbour tells Invest-Gate.

Egypt is not the only economy to turn to real estate for sustainable development, particularly in terms of urban and job growth. In India, for example, the real estate and construction sector is set to become the country's prime employment generator by 2022, with affordable housing predicted to be the key job creator, according to the National Skill Development Corporation (NSDC).

It is like killing two birds with one stone, says The Land Developers Chairman and CEO Ahmed El Tayebi, supporting urban development in parallel with responding to the desperate need for more employment opportunities.

In a similar vein, El Attal Holding Vice-Chairman Mohamed Elattal points out that projects implemented in new cities such as New Alamein and NAC help drive ample job opportunities, thus drawing unemployment down, pushing the local realty business forward, and promising further investments.

Above all, job creation is the critical factor for developing countries (ex: Egypt) to reduce poverty, improve people's quality of life, and reach the Sustainable Development Goals by 2030, developers agree.

Bottom Line

Being part of the real estate industry can be very rewarding for always evolving, maintaining a healthy demand for jobs and careers associated with it. Hopes of more Egyptians getting employment offers soon are high, with the urban growth machine in full gear for the opening of almost two dozens of new cities across the country.

WHAT DRIVES AFRICA'S YOUNGEST AWARD- WINNING ARCHITECT **MOHAMED HAZEM?**

BY **SARA MOHAMED**

While having a commitment to innovation, in parallel with a hint of modern designs, Mohamed Hazem's (aka Miro) impressive portfolio for his company, "Miro Architects," is not the only reason why many design enthusiasts and like-minded industry players turn to his work for inspiration; but also shooting to fame for being the world's first youngest architect to win this year's International Property Awards for African/Arabian Region for Architecture Single Residence is definitely a jackpot hit.

Aside from the award-winning Eunoia Residence project in Cairo, Egypt, Miro Architects embraces admirable masterpieces across Libya's Tobruk, England's London, Saudi Arabia's Al Khobar, Greece's Athens, among other regional and international areas. With more splendid creations in the pipeline that will parade Miro Architects' achievements, Invest-Gate asks Miro to open up about the details of the recently-acclaimed award and state-of-the-art architectural projects, topped with his career and passion for all things architecture, providing exclusive tips on what it takes to accomplish so many milestones before turning 30.







What does winning the International Property Awards mean to Miro Architects?

We are incredibly honored to win this year's award for Architecture Single Residence. That is because it translates into what we believe in most, which is that we can turn anything into reality if we work hard and put our minds together as one team. This awarding gives Miro Architects a big confidence boost and makes us hold value in what we are doing as we forge the right path.

Describe the award-winning Eunoia Residence project in a nutshell. Walk us through your inspiration, creative process, key challenges, design concepts, and more.

Just like any other project, we were thrilled to work on Eunoia Residence, especially since it was picked to be featured in the international competition. What is special about this residential building is its richness with communal spaces accustomed to easy social interactions across this colossal structure. Composition, mood, lighting, weather control, and even sustainable materials to cut cost and inspire elegance, in tandem, are all aspects aligned with this specific architectural mix, combining fresh and dynamic design all throughout. Perhaps most importantly, we put a particular focus on landscapes, thereby providing stunning views from all points of the complex.

Being the youngest architect in the world ever to win this prestigious award, what do you think sets you apart from other market players?

Indeed, it gives me great pleasure to be the world's youngest architect to win the International Property Awards. Speaking of Miro Architects, this milestone lets us look forward to what is awaiting us in the future, while also serving as a benchmark for more success to come. Looking ahead, with a fixed mindset that every project should be better than better, we certainly raised the ceiling for the coming promising achievements as we aim high, work hard, and beat all the odds that come our way.



How has exposure to different architectural cultures of Europe (ex: London) influenced your architectural vision? How could you define your one-of-a-kind design approach?

London has broadened my architectural perspective in many different ways, providing me with the depth of design concepts. This is especially when it comes to the massive carved monuments, which are not merely works of art but are also built to stand the test of time. In my London-based graduate school, where I perceived the role of human-centered design, there was high awareness of the understanding of building for humans. Back then, I studied how to ingrain psychology in the design process to understand what makes users tick, which as a ripple effect, complements Miro Architects' emphasis on forming a blueprint for much happier, healthier places.

You have lots of complete and in-progress developments. Which one is your favorite, and why?

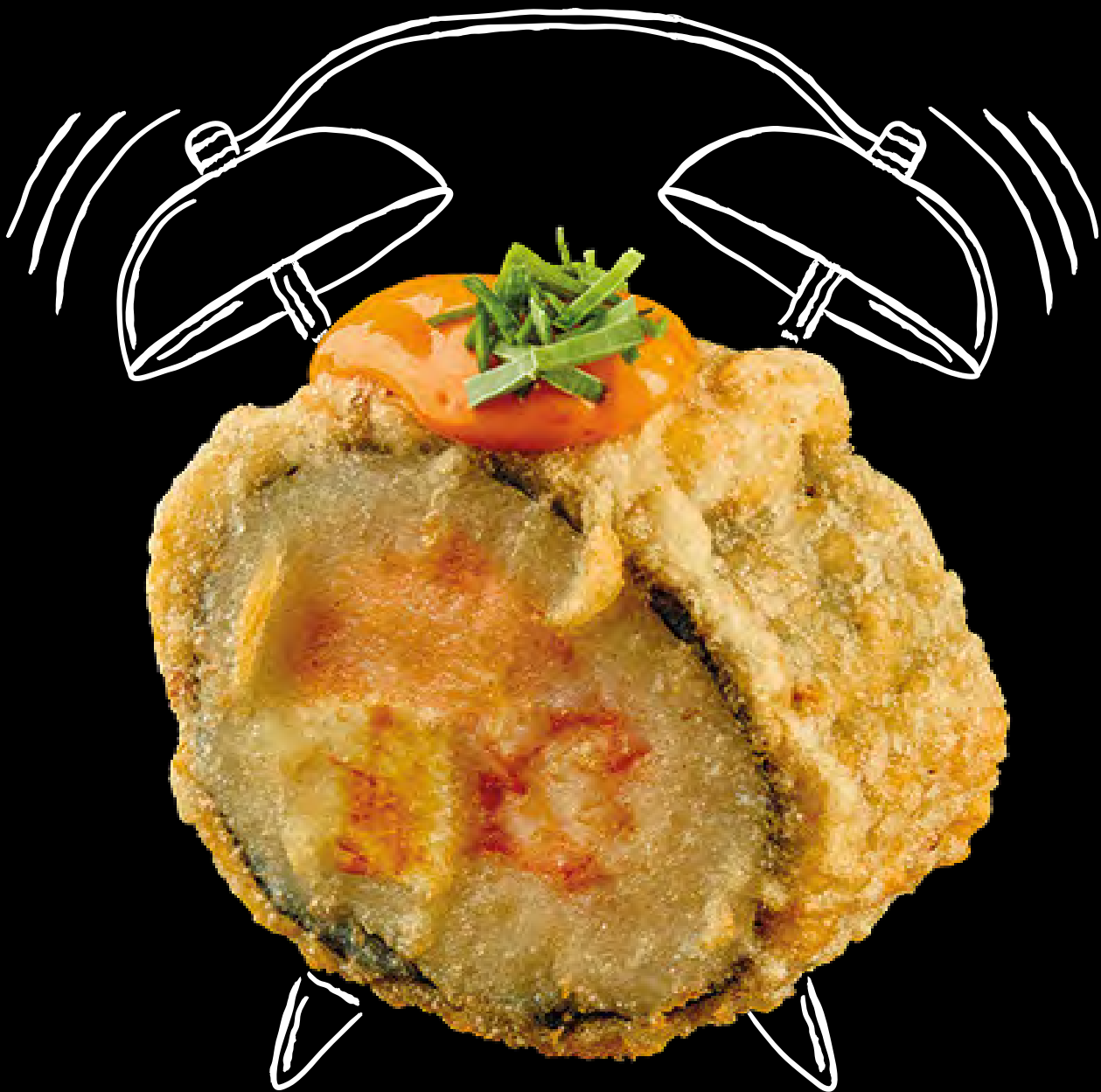
To be honest, I do not have a favorite pick. I mean, every project differs and is exceptional in its own way. For Miro Architects, every new development is a new challenge to stand out. That is why many of our projects are atypical for me, and, most of all, my first project ever - a hotel establishment in Aswan. When rewinding back a bit, I worked with a two-person team; but now our company is flourishing with more than 25 architects. Therefore, progress has been particularly dramatic compared to the starting point, and we aim to remain growing at a fast pace.

Finally, any tips for aspiring young architects?


For starters, architecture is a very broad and humanistic field. If it feels like a small box with a sealed top, where you are suffocating with no love for architecture or even enjoyment of work, then hop off this career now. As an architecture major, you need to invest sufficient time, patience, and hard work more than anything; it takes a lot more energy, perseverance, and discipline to go about it differently. If you find the joy of creation in architecture, do not set boundaries with yourself and understand that many great architects have clicked at a young age, and you can be one of them by creating landmarks and locations that live in the depth of time and space. There are many ways to make a meaningful difference, so when designing a product, make sure to leave your mark.




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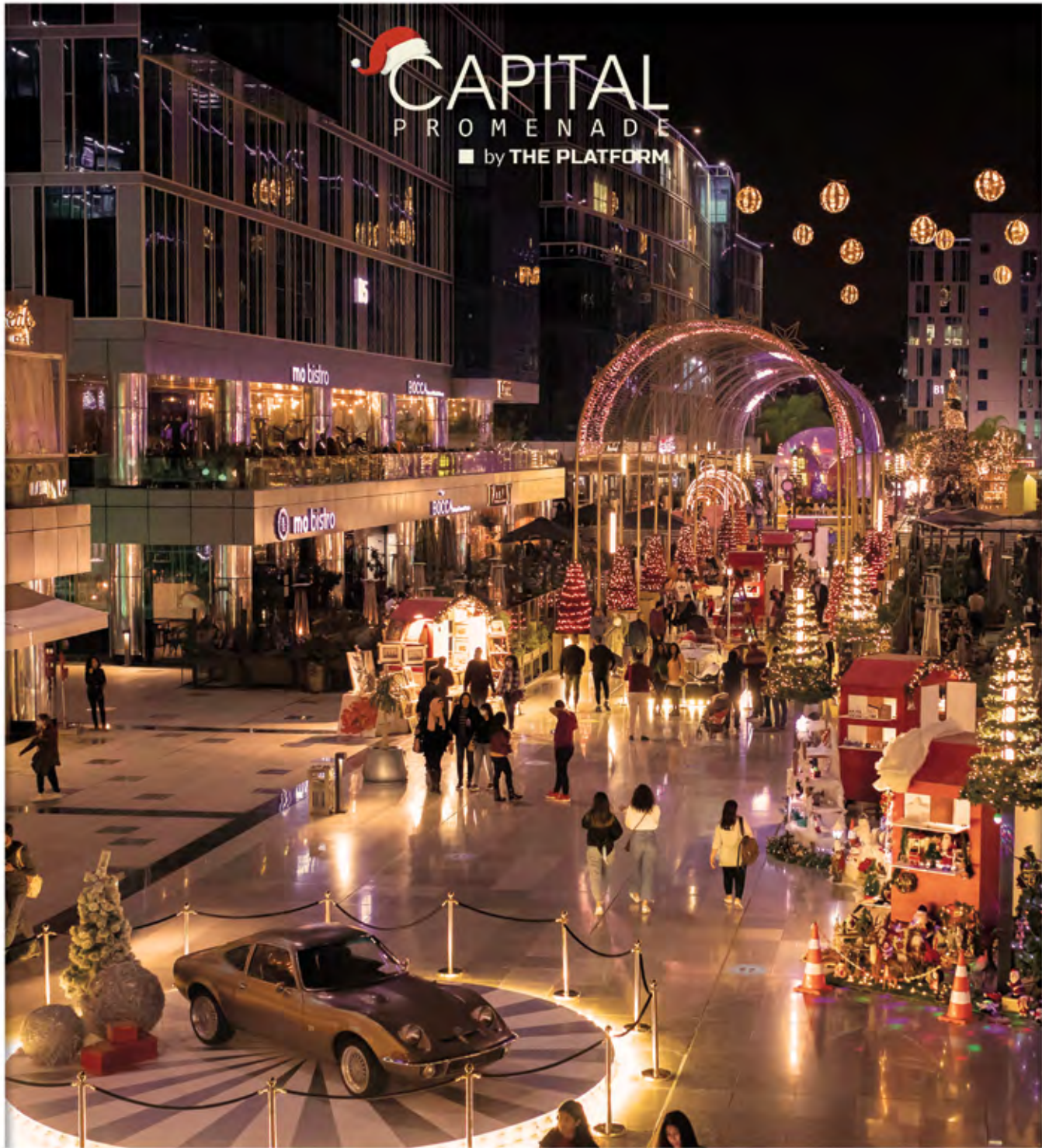
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