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CRED: PIONEERING REAL ESTATE EXPERIENCE WITH VISIONARY AMBITIONS

Cred, an emerging leader in the Egyptian real estate market, has quickly distinguished itself through the dedicated efforts of its team and leadership. This company has crafted a unique identity in the industry, exemplifying success by achieving excellence and innovation in real estate development. Cred is an extension of Masrya International Group for Engineering and Contracting (MIG) and Ashi & Bushsnag Company (ABC), which was established in 1982 in Jeddah, Saudi Arabia. This legacy company has significantly contributed to key projects in the Egyptian market and the Gulf region.

Cred stands out with its ambitious vision and innovative approach, aiming to deliver unique real estate products that add substantial market value and compete effectively within and beyond Egypt. Unlike traditional real estate ventures, Cred's projects are integrated urban communities meticulously planned from conception to completion, ensuring market suitability, detailed design, and comprehensive services for residents.

This vision is reflected in Cred's portfolio, which includes projects with a total investment of EGP 18.5 bn. Each project showcases the company's commitment to innovation and differentiation. A prime example is Ever New Cairo, a project representing a significant milestone for Cred. Located in the highly sought-after Sixth Settlement area along 90th Street in New Cairo, Ever New Cairo benefits from strategic proximity to major roads

like the Cairo-Suez Road and the Central Ring Road, as well as the New Administrative Capital.

Ever New Cairo spans 128.5 feddans, with an investment of up to EGP 30 bn in partnership with the New Urban Communities Authority (NUCA). This project, encompassing residential, commercial, and administrative units, aims to enhance the Egyptian real estate market and attract foreign investors with features tailored to their needs. The project will be executed in five phases, dedicating only 14% of the area to buildings and the remainder to open and green spaces. The development includes 2,100 residential units, featuring 500 distinctive villas and 1,600 fully finished apartments, along with commercial and administrative units, recreational areas, sports facilities, and a clubhouse. The construction of the project is set to start in 2025 and end in 2031. Deliveries are scheduled to begin in 2029.

Cred's excellence is also evident in its Ever project west of Cairo, located along the 26th of July axis in a prime investment area. This 40-feddan project, with a total investment of EGP 12 bn, includes a diverse mix of residential, commercial, administrative, medical, and hotel facilities. It features 1,000 residential units, including 500 private residences and 500 hotel apartments within a 36-meter-high tower that also houses commercial and administrative units.

Cred's ambition does not stop there, but rather it continues its achievements in both its current and new projects. The company has recently demonstrated its ability to overcome all challenges and has already begun to deliver the first phase of its CLM project, its first project in the New Administrative Capital, on an area of 43 feddans and developed in one of the most distinguished areas, the R7 area. Cred has already succeeded in delivering 145 units out of a total of 478 units and is scheduled to complete the delivery of the remaining units of the first phase, in addition to the delivery of 150 units in the second and third phases before the end of the current year 2024.

Construction continues on the Castle Gate's commercial area and other projects in the Administrative Capital, including East Side and COM16.

These achievements highlight the strategic leadership and innovative vision of Eng. Ahmed Mansour, CEO of Cred. Mansour's expertise and forward-thinking approach have positioned the company as a modern leader in Egyptian real estate, inspiring young professionals and significantly contributing to the sector's development.

Under Mansour's leadership, Cred has forged partnerships with major Egyptian and international firms to deliver comprehensive real estate solutions. The company collaborated with UAE's Dex Square for operating the Ever project's clubhouse, and with Telecom Egypt (We) for the



technological infrastructure. Cred also partnered with top engineering and consulting firms for master planning and design, reflecting its commitment to excellence, credibility, and transparency, which helped it earn the trust of customers domestically and internationally.

Cred's strength lies in its dedication to quality and its unwavering commitment to customer satisfaction. This foundation has established Cred as a leading real estate company, aiming to secure its place among the top real estate firms in Egypt and the Arab region over the next five years, expanding its innovative real estate products across various locations.



Dear Readers,

At last, summer is here! And the arrival of this new exciting season has pushed both local and international tourists to look for the ideal mix of sun, sand, and sea, as demand for holiday homes in the nation's key summer property destinations skyrockets.

With new legal reforms and more flexible policies, Egypt has successfully transformed itself into a financial paradise for property investors from all over the world, particularly seeking to capitalize on the immense potential of Egyptian residential property developments within the nation's attractive coastal areas in the Red Sea and the Mediterranean.

In this issue, we've discussed holiday/summer homes from every angle with a detailed coverage of the roundtable that we organized titled "The Luxe Retreat: Exploring Second Home Property Investments As True Wealth Builders", which successfully brought together experts and business leaders from all over the industry. Our editorial team has also taken a deeper dive into the topic with their features, seeking to explore promising trends in the local and regional market, the unlimited benefits of branded residences, the importance of sustainability in summer residences, as well as other key developments within this vital segment of the real estate market as it evolves.

We hope that that issue's content will not only prove to be informative but inspiring as Invest-Gate seeks to create positive change within the industry. On that note, we hope that you enjoy this summer season as an exciting time for lucrative opportunities and endless prosperity.

Best Regards,

Nader Ramadan

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Ministry of Planning and Economic Development Launches Third Edition of Premier Executive Education Program in Collaboration with Sawiris Foundation, University of Chicago Booth School of Business

The Ministry of Planning and Economic Development is pleased to announce the launch of the third edition of the “Executive Education Program in El Gouna, Red Sea.” This program is conducted in partnership with the Sawiris Foundation for Social Development (SFSD) and the University of Chicago Booth School of Business, Invest-Gate reports.

The program will take place over 14 days in the picturesque city of El Gouna, located in the Red Sea Governorate. It will involve the participation of 50 prominent executives from the public and private sectors.

The opening ceremony witnessed the presence of esteemed figures, including Eng. Noura Selim, Executive Director of the Sawiris Foundation, and Dr. Randall S. Kroszner, Norman R. Bobins Professor of Economics at the University of Chicago Booth School of Business. The event was further honored by the attendance of Aneesh Chopra, President of Care Journey and the first Chief Technology Officer of the United States (2009-2012), who delivered a keynote address



on the transformative power of technology in society.

Dr. Hala El Said, Minister of Planning and Economic Development, emphasized the significance of the program and expressed the Ministry's commitment to continuing its partnership with the Sawiris Foundation and the University of Chicago. The program aims to foster a culture of leadership and sustainable growth, equipping leaders with the knowledge necessary to navigate the complexities of the current economic landscape and contribute to the country's economic development. It targets senior executives in both the private and public sectors in Egypt, providing them with the skills

to adapt to rapid changes and geopolitical challenges.

El Said underscored the importance of collaboration with prestigious international educational institutions in delivering exceptional training programs. To date, around 3,600 government employees have been trained abroad at institutions such as King's College London, the United Nations University in Portugal, Hertie School of Governance in Germany, Mohammed Bin Rashid School of Government in Dubai, University of Missouri, and Thunderbird School in the United States.

Mr. Nassef Sawiris, Member of the Sawiris Foundation and University of Chicago's Board of Trustees, Honorary President of Orascom Construction PLC, and CEO of Orascom Construction Industries (OCI N.V.), emphasized the significance of education as a cornerstone of the Sawiris Foundation's mission. He expressed his commitment to empowering leaders who play a fundamental role in Egypt's economic and social progress. Hosting this program in El Gouna reflects this dedication.

Assistant Housing Minister Joins BRICS Urbanization Forum's Opening Session by Invitation of Russian Government

Abdel Khaleq Ibrahim, Assistant Minister of Housing for Technical Affairs, has represented Assem El-Gazzar, Minister of Housing, Utilities, and Urban Communities, in the opening session of the BRICS Urbanization Forum, Invest-Gate reports.

The forum took place in Moscow, Russia, and Ibrahim participated via video conference. The Russian government extended the invitation, and it was attended by the Russian Minister of Housing and Construction, the Chinese Deputy Minister of Housing and Urban-Rural Development, the Brazilian Minister of Cities, the Indian Deputy Minister of Housing and Urban Development, the Chairman of the South African Land Administration, as well as representatives from the Emirati and Iranian governments.

In his speech, Ibrahim expressed the Egyptian Ministry of Housing's warm welcome and willingness to collaborate with the relevant ministries involved in urban development matters within the BRICS countries.



He highlighted the key aspects of urban development in Egypt, with a particular focus on human rights, including access to housing, employment, and services. Under the leadership of President Abdel Fattah El-Sisi, the Egyptian government has made significant efforts in providing alternative housing for over 1.5 mn individuals residing in unsafe slum areas, as well as offering housing units for more than 7 mn people. However, the challenge remains, as residential visits continue to pose a fundamental obstacle to urban development in Egypt.

During his speech, Ibrahim explained that the global urban population is projected to exceed 70% by 2045, with city residents contributing

80% of the global GDP. Consequently, Egypt's urban development plan aims to increase the urbanization rate during the establishment of new urban communities, creating an environment conducive to attracting investment and stimulating the national economy.

After a decade of preparation, the Egyptian government has successfully initiated the implementation of more than 14 new smart sustainable cities. The completion of the initial phases of these cities will be announced by the end of 2024 and the beginning of 2025.

Ibrahim extended the Housing Minister's invitation to the forum participants to initiate collaborative efforts, including private sector involvement, particularly in the realm of low-cost housing. Affordable housing represents a crucial objective for the Egyptian government in the upcoming period, alongside the development of smart sustainable cities. Currently, the Egyptian government is in the process of implementing 14 out of a total of 38 new cities.

CRC-Dorra Signs Contract with Morshedy Group for Zahra New Alamein Project



CRC-Dorra, a subsidiary of Dorra Group, has agreed with Morshedy Group to construct a 19-acre area within the Zahra New Alamein project, Invest-Gate reports.

This contract marks the beginning of the collaboration between the two companies.

The agreement was signed by Mohamed Dorra, Vice Chairman of CRC-Dorra, and Nour Morshedy, CEO of Morshedy Group, in the presence of officials from both companies.

Dorra highlighted that this contract adds to the company's impressive project portfolio, emphasizing the aim to complete the work on time and to the high-quality standards for which CRC-Dorra is known.

Moreover, Morshedy remarked, "This agreement is integral to our strategy to accelerate and enhance our projects, demonstrating our commitment to exceptional architectural designs and service delivery."

For his part, Wael Seada, Chairman of Morshedy Group, expressed pride in collaborating with CRC-Dorra. He underscored Morshedy Group's confidence in CRC-Dorra's ability to deliver work to the highest standards, reaffirming the group's dedication to partnering with successful and reputable entities.

Furthermore, Seada highlighted that the Zahra New Alamein project, covering approximately 1,000 acres, is located in a prime area of the North Coast.

"This project is one of Morshedy Group's most significant endeavours, designed to offer luxury and comfort with outstanding facilities and advanced infrastructure, promising residents an unparalleled living experience," Seada added.

Notably, this partnership between CRC-Dorra and Morshedy Group signals a significant step forward in developing Zahra New Alamein, setting a new benchmark for luxury living on the North Coast.

SODIC, Marriott International to Introduce Tribute Portfolio Hotels in Egypt

SODIC and Marriott International have partnered to bring the Tribute Portfolio brand to two new hotels in Egypt, Invest-Gate reports.

The hotels, set to open in West Cairo and the North Coast, will join Tribute Portfolio's global collection of independent hotels known for their unique designs and vibrant social atmospheres.

The Tribute Portfolio Hotel at Forty West, SODIC's flagship residential complex in West Cairo, is slated to open in 2027. It will feature 170 guestrooms, including 48 suites, along with various dining and recreational facilities. The second hotel, expected to open in 2029, will be in June, SODIC's Miami-inspired beachfront destination in the emerging Ras al Hekma area on the North Coast.

For his part, Ayman Amer, SODIC's General Manager, expressed enthusiasm about collaborating with Marriott International, stating, "We are very excited to be collaborating with Marriott International on these two upcoming hotel developments. This is a testament to SODIC's commitment to joining forces with renowned global industry experts that create further value for our developments."



Moreover, Sandeep Walia, Chief Operating Officer for the Middle East at Marriott International, noted, "We continue to see a growing demand for independent hotel experiences, and the signing of these two Tribute Portfolio Hotels marks an important milestone for the brand in Egypt."

"Egypt remains an exciting growth market for Marriott, and we look forward to collaborating with SODIC to bring the brand's authentic and vibrant experiences to landmark developments in West Cairo and the North Coast," Walia added.

Notably, Tribute Portfolio is a rapidly expanding global family of nearly 120 distinctive, independent hotels across more than 25 countries, celebrated for their captivating designs and lively social environments for guests and locals alike.

Wadi Degla Developments Launches Floating Islands at Murano Ain Sokhna



Wadi Degla Developments has announced the launch of Floating Islands, the final segment of the third phase of its Murano Ain Sokhna project, representing a total investment of EGP8 bn, Invest-Gate reports.

This new phase includes an additional EGP1.3 bn investment, adding 400 luxurious residential units comprising chalets, penthouses, and duplexes, ranging from 75 to 260 sqm. So far, 35% of the project's units have been delivered.

For his part, Dr. Raymond Ahdy, CEO of Wadi Degla Developments, highlighted that the launch of Murano's Floating Islands marks a significant milestone in the company's efforts to provide high-quality real estate that enhances customer well-being.

Ahdy noted the promising future of investment in recreational real estate, driven by government initiatives to bolster tourism, attract more visitors, and improve infrastructure.

Moreover, the Murano project, which consists of three phases, has already seen the full delivery of phase one, now home to over 600 families. Deliveries for phase two began in 2023 and will continue throughout the year. The third phase, Waterside, was launched last year and features units between 115 and 260 sqm, with construction set to start in Q4 of 2024.

Furthermore, Murano's standout features, including its 800-meter sandy beach—the third-longest in Ain Sokhna—diverse unit types and prime location, have driven significant sales success.

Also, the company achieved EGP5 bn in sales within 12 months of resuming the project, reinforcing its position as the leading developer in Ain Sokhna, with a market share exceeding 20% over the past year.

Wadi Degla Developments, one of the oldest and largest real estate developers in Ain Sokhna, boasts a portfolio of six coastal projects with strong returns on investment.

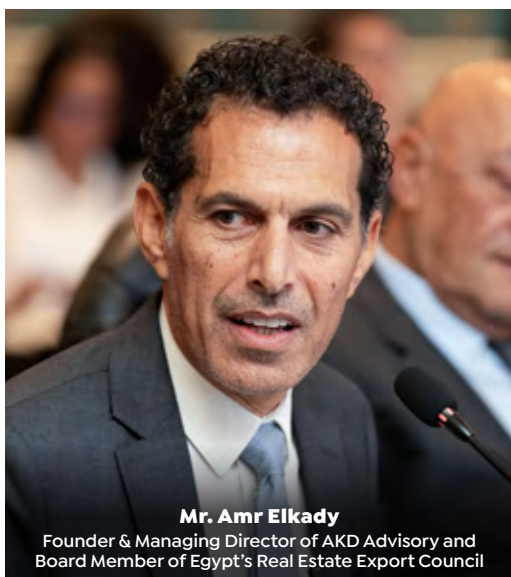
Notably, Murano, spanning 470,000 sqm and featuring over 2,000 units, is strategically located along Zafarana Road, making it one of the closest coastal projects to Cairo.



INVEST-GATE SUCCESSFULLY CONCLUDES ITS SECOND MAJOR ROUNDTABLE IN 2024:

“THE LUXE RETREAT: EXPLORING SECOND HOME PROPERTY INVESTMENTS AS TRUE WEALTH BUILDERS”

Invest-Gate held its second roundtable of the year, which commenced on Wednesday, May 29th, 2024 at the Nile Ritz-Carlton, under the title “The Luxe Retreat: Exploring Second Home Property Investments As True Wealth Builders.” This exciting occasion dove deep into exploring the investment potential of second homes, especially in Egypt’s coastal regions in the Mediterranean and Red Sea.





Organized in collaboration with the Egyptian Businessmen's Association (EBA) and the Egyptian Lebanese Businessmen Association (ELBA), this event brought some of the market's most outspoken industry leaders, seasoned professionals, and innovative minds to the table to discuss topics, including the interest of both local and international investors in residential property developments on Egypt's scenic coasts, the top legal and policy reforms that are driving investments in these regions, the potential ROI of second homes, branded residences, investment vehicles, the role of brokers, making an income from renting a second home, and a variety of other updates related to the market.

This roundtable was moderated by Mr. Amr Elkady, Founder & Managing Director of AKD Advisory and Board Member of Egypt's Real Estate Export Council, and witnessed the participation of speakers, including Dr. Mostafa Mounir, CEO of the Tourism Development Authority; Eng. Hisham Shoukry, Chairman of Real Estate Export Council and Founder & CEO of Rooya Holding for Real Estate; Mr. Ayman Abbas, Chairman of Intro Investments Holding; Eng. Mohamed Abdalla, Chairman of Coldwell Banker Middle East; Mr. Ibrahim El Missiri, CEO of Somabay; Mr. Haitham Mohamed, CEO of Ora Developers Egypt; Eng. Waleed Mokhtar, CEO of Iwan Developments; Mr. Akef El-Maghraby, CEO and Managing Director of Suez Canal Bank; Eng. Bassel El Serafy, CEO of Adeer International; Mr. Nader Khozam, Chairman & CEO of Il Cazar Developments; Dr. Raymond Ahdy, CEO of Wadi Degla Developments; Mr. Omar El-Tayebi, CEO of TLD-The Land Developers; Eng. Yasser Al Beltagy, Founder and Chairman of YBA; and Mr. Mohamed Galal, Founder of TSM.

This roundtable served as a platform to offer a unique perspective on market trends, new ideas, the latest developments, and government initiatives that are fueling the growth of this booming area within Egypt's property sector. Moreover, discussions that were held at this enlightening occasion served an educational purpose to provide both new and experienced investors with the insights that they need to make the most informed investment decisions.

The roundtable's esteemed moderator Mr. Amr Elkady, Founder & Managing Director of AKD Advisory and Board Member of Egypt's Real Estate Export Council, started the discussion by thanking Invest-Gate for inviting him to this productive engagement to exchange views and explore solutions to boost investments in the real estate sector. Elkady stressed the importance of second homes for the revitalization of the real estate sector and development in general.

Dr. Raymond Ahdy, CEO of Wadi Degla Developments, emphasized that the coastal homes market is an expanding worldwide trend and one of the notable factors driving this segment's growth globally in the real estate industry is the coastal homes rental market. He mentioned that last year the coastal homes rental market reached \$80 billion and it is forecasted that by 2030 it will be worth \$118 billion at an annual growth of 5%.

Within Egypt, there are several factors that drive the local second homes market. One of the promising signs of its growth, he highlighted, is the

improving standards of living because that motivates families to think about investing or possibly purchasing a second home. He pointed out there are a variety of motivating factors for local buyers/investors who would be interested in acquiring a second home, which includes maintaining the value of their money. He added that some local buyers/investors are also just generally following a global trend of buying second homes to rent.

With regards to the global second homes rental industry, he highlighted that this segment's growth is driven by a portion of the world market that is between the ages 25 and 35, which make up 35% of those who rent second homes.

Ahdy noted that among the key selling points of second homes in Egypt are the atmosphere and location on the Mediterranean Sea and the Red Sea, which offer more accessibility. He also highlighted the government's efforts to develop infrastructure to attract investors.

Dr. Mostafa Mounir, CEO of the Tourism Development Authority (TDA), emphasized the importance of TDA's role as the state's arm for developing tourism projects and outlined the vast amounts of land that can be used for tourism development, representing a massive opportunity.

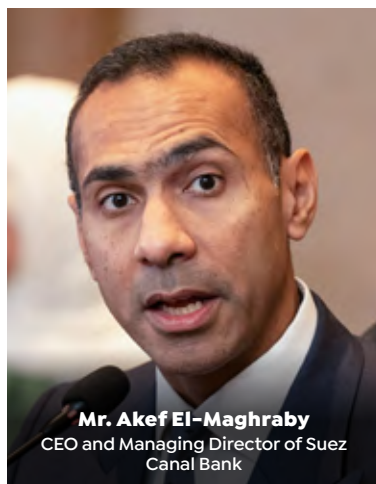
He revealed that the North Coast and the regions of Ain Sokhna and Ras Sedr are the most attractive destinations for holiday homes in Egypt, stressing that the TDA will work to increase facilities for companies and developers, in addition to incentives in light of the directives of Prime Minister Mostafa Madbouly to remove obstacles facing investors, provided that periodic sessions are held with investors to learn about their visions.

Mounir added that the number of hotel rooms in projects affiliated with the TDA has reached 104,000 units, and there are 103,000 residential units of holiday homes (second homes) as well. He pointed out that there are promising tourism investment opportunities offered by the TDA periodically to achieve the state's goal of continuously adding hotel units throughout Egypt.

He continued: "We need a different perspective for projects based on the specificity of each region and its features, and there is an increase in demand in attractive areas such as Marsa Alam, Dabaa, and Ras El Hekma."

Mounir revealed that there are plans to launch a website in coordination with the Ministry of Communications to display promising opportunities related to real estate, which will include all the basic details in addition to the procedures for reserving and purchasing various spaces.

Also, Mr. Nader Khozam, Chairman and CEO of Il Cazar Developments, discussed the requirements of the Tourism Development Authority for hotel rooms, calling for the release of their terms to support the real estate sector in Egypt. He stated that the North Coast has become a region for semi-permanent residences for many, not just vacation homes, amid significant infrastructural development within the area, including the



high-speed train. Khozam added that he expects a surge in property prices on the North Coast in the next three to four years.

Eng. Hisham Shoukry, Chairman of the Real Estate Export Council and Founder & CEO of Rooya Holding for Real Estate, stated that hotel apartments are increasing worldwide and represent a huge opportunity. He indicated that the annual growth rate in hotel rooms is about 3% globally while the growth of hotel apartments is 25%. Shoukry recommended that hotel apartments be included as part of the hotel segment to improve the profitability of this initiative and boost investments.

In addition, Mr. Akef El-Maghraby, CEO and Managing Director of the Suez Canal Bank, discussed the BRICS currency as well as its impact on the dollar and real estate prices. He highlighted that the new BRICS currency specifically targets investors from the member states of BRICS. He pointed out that there must be a suitable real estate product in Egypt to attract investments from BRICS countries. El-Maghraby explained that though second homes in Egypt are attractive to investors/prospective buyers from Russia, most Egyptian real estate exports currently target GCC countries.

Mr. Haitham Mohamed, CEO of Ora Developers Egypt, pointed out that the value of the US dollar has increased by approximately 50% against the Egyptian pound during the last period. In addition, Mohamed noted, the price of land on the North Coast rose from EGP 1,000 per square meter to EGP 10,000, creating a heavier financial burden for developers by increasing project costs. Noting the significant price hikes in land and building materials, he emphasized that the cost of labor also rose, driving up construction costs and causing developers financial loss. Mohamed highlighted that he expects that the prices of hotel apartments on the North Coast will continue to rise in the coming period, as a result of the current economic conditions.

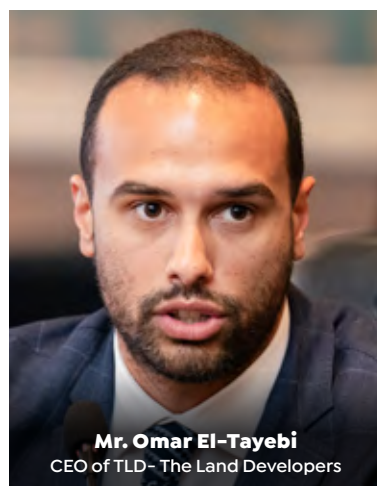
Moreover, Eng. Bassel El Serafy, CEO of Adeer International, stated that real estate funds could resolve many of the challenges facing the real estate

sector in Egypt. He highlighted the need for hotel rooms in the country to apply models that have been proven successful in other countries to make rapid progress. He emphasized the significant market potential for Egypt's coastal areas overlooking the Red Sea and the Mediterranean, advocating for more facilities to be offered to investors.

Mr. Mohamed Galal, Founder of TSM, stated that TSM has made significant progress by investing in asset management. Galal noted that the North Coast experienced a boom not only for social reasons but also due to the development of commercial and entertainment facilities driven by potential demand from tourists.

For his part, Mr. Omar El-Tayebi, CEO of TLD-The Land Developers, stated that investing in the entertainment sector in coastal areas is crucial, as it supports the increase in demand by both investors and customers. El-Tayebi explained that his company has been operating in Hurghada since the 1980s. He noted that about 70% of hotel rooms that are under the supervision of the Ministry of Tourism in Egypt are located in Sharm El-Sheikh and Hurghada. El-Tayebi suggested that tourism investment requires support from the banking sector to help the industry expand.





Eng. Waleed Mokhtar, CEO of Iwan Developments, commended the recent boom in vacation homes in Egypt. Mokhtar added that developers bear a significant burden due to changes in exchange rates. He said measures should be taken to help companies facing the challenge of property price fluctuations as a result of the extreme surge in the US dollar value. He further noted that while the government offers flexible facilities, devaluation has caused many challenges that need to be addressed.

Additionally, Mr. Ibrahim El Missiri, CEO of Somabay, called for attracting committed investors through incentives. El Missiri also discussed difficulties investing in tourism as well as regulatory obstacles in several areas, including controls on entertainment, and called for the easing of these restrictions. El Missiri talked about the importance of building the necessary infrastructure and facilities, such as airports and schools, to make certain remote regions habitable for growing residential communities. He further highlighted issues related to trademark regulations, particularly in the Red Sea region as well as challenges related to property registration.

Discussing second homes from an architectural perspective, Eng. Yasser Al Beltagy, Founder and Chairman of YBA, outlined that second

homes for a designer need a comprehensive and holistic approach, considering factors such as construction and topography as well as aesthetic and visual or emotional elements that will appeal to the prospective buyer.

Availing the required facilities and services is also an essential factor in determining a project's success, according to Al Beltagy. These are the qualities that made Marina such a big success.

He explained that the hotel segment is an important area for real estate investments, adding that there is a need, both now and in the future, for setting certain standards for hotel projects. He called for passing legislation that would help extend the residence period in hotel units from only two weeks to two months.

Focusing on real estate marketing, Eng. Mohamed Abdalla, Chairman of Coldwell Banker Middle East, commended and welcomed the introduction of new marketing tools to promote attractive property offerings.

He emphasized that though technology has been a key enabler for real estate marketing, the human contribution to the marketing process is always important and cannot be ignored. He pointed out that platforms, such as Airbnb, show that the Egyptian real estate market has rich variety.

He expressed his agreement regarding the important role of the brokers, highlighting that any players that enter the market serve to enhance and promote competition. Focusing on the real estate sector, he indicated that every player has a key role within the market's ecosystem since Airbnb is a platform for marketing yet property management companies are also important for other essential functions within properties.

Abdalla also expressed interest in marketing properties through the metaverse, which can give prospective buyers/investors a close and personal experience of the featured properties.



He also pointed out that the West Alexandria region is undergoing major expansion. Abdalla expects the Ras El Hekma project to attract people from various governorates, not just from Alexandria.

Finally, Mr. Ayman Abbas, Chairman of Intro Investments Holding, stated that investing in second homes is a very important issue. Abbas compared

the Egyptian real estate market to Dubai's, highlighting that Egypt has enough resources and capabilities to achieve similar success but action needs to be taken. This can be achieved by creating a thorough strategy with specific targets to achieve that goal. Abbas reiterated that Ras El-Hekma is the first free zone designated for service, commercial, and tourism purposes.

Discussions concluded with the following recommendations:

1. Introduce to the Tourism Development Authority the recommendations related to hospitality components for projects and organize follow-up meetings.
2. Clearly differentiate hospitality component criteria according to the Tourism Development Authority terms, streamlining processes for investors.
3. Consider hotel apartments as alternatives to hotel rooms in the conditions of licenses to improve project profitability.
4. Immediate action to secure and register trademarks related to the Red Sea region in light of recent real estate developments on the opposite shoreline.
5. Adopt destination branding strategies to boost second home investments and elevate its value.
6. Adopt investments in second home asset and facility management for tourist destinations' success.
7. Revise the high interest rates for lands that were priced in USD to mitigate the impact of EGP floatation.
8. Promote property exports in second homes, vacation properties, and branded residences to attract more foreign buyers.
9. Target investors from BRICS nations in addition to GCC investors to broaden the investor base.
10. Create incentives for committed developers to encourage investment.
11. Explore the potential of real estate funds to introduce new opportunities to the second home market.
12. Encourage developers to incorporate sustainable practices and net-zero initiatives to attract buyers and financing opportunities.
13. Implement laws and tax regulations that attract global attractions, international concerts, events, and entertainment to coastal areas, enhancing their appeal.
14. Advocate for the adoption of the master developer model in second home developments.
15. Customize projects to fit the unique characteristics of each region, maximizing their attractiveness.
16. Establish incentives for the use of desalination plants and provide tax exemptions on desalination plant investments.
17. Provide banking facilities to support the establishment of desalination plants, contributing to sustainability efforts in coastal regions.

Sponsors for this roundtable included Somabay (Platinum Sponsor), YBA (Gold Sponsor), and Il Cazar Developments (Delegates' Bags Sponsor). Silver Sponsors included TLD-The Land Developers, Wadi Degla Developments, and TSM.



INVESTMENT IN GREECE, EGYPT: TWO LAW FIRMS WORK TOGETHER TO FACILITATE BILATERAL REAL ESTATE, BUSINESS COOPERATION



Seeing to explore the successful collaboration between Greece and Egypt especially in the real estate industry, Invest-Gate interviews the two legal pioneers working to help investors and businessmen benefit from the prosperous relations between the two nations, Mrs. Anna Koraki, Lawyer and Founder of ANNA A. KORAKI AND ASSOCIATES LAW FIRM, and Mr. Alaa Saad Moustafa, Lawyer and Managing Partner of Alaa Saad Moustafa Law Office.

How did you come to the decision to cooperate?

Mrs. Anna Koraki: Greece and Egypt are known to have close cooperation in the areas of trade, the maritime industry, energy, culture, and tourism. Greece is the fourth largest European investor in Egypt, with over 208 Greek companies operating in the Egyptian market, and Egypt is Greece's sixth biggest trade partner.

Having this in mind, as well as the need to represent our clients, led us to the decision to open a channel of cooperation with the Alaa Saad Moustafa Law Office, a renowned law firm in Egypt, in order to handle our clients' cases safely, accurately and quickly, considering that the legal context differs from one country to the other and that this requires expert knowledge.

Which area of the economic life in the two countries do you think plays the strongest part in your cooperation?

Mrs. Anna Koraki: The area of real estate has most definitely captured the interest of our clients, if we consider the fact that, Egypt, followed by Lebanon, is the fourth country in terms of investors seeking a Golden Visa in Greece, after China, Russia, and Turkey.

Other than private individuals, do you see also companies and businesses interested in investing?

Mr. Alaa Saad Moustafa: The real estate market in Greece is a pole of attraction not only for individuals but also for businesses from Egypt. In this regard, it is worth mentioning that several Egyptian businessmen have made their entry into the Greek real estate market by jointly establishing real estate management companies in Greece, with the scope of activities of buying and selling real estate for residential buildings, providing hotel services and offering services of drafting environmental impact designs and feasibility designs for technical projects.

We also see a strong trend of Egyptian buyers interested in investing in the luxury market and the construction of contemporary hotel complexes with private swimming pools and other luxury accommodation facilities.

Apart from the real estate market, which other areas may your cooperation concern?

Mr. Alaa Saad Moustafa: Other than investing in real estate, Egyptians are also strongly interested in establishing warehousing and logistics centers in Greece, with the vision of making it a transit country for Egyptian products exported and a key gate of entry to European markets. In parallel, Egypt has also been attracting similar investments by Greek businesses, considering that Egypt is the gateway for the entry of Greek products into African markets.

Do you have a seamless cooperation?

Mrs. Anna Koraki: The aim of this cooperation has always been to serve the needs of our clients. Our primary principle is to listen to our clients and their needs and try to achieve the best possible results.

Note that our firms have extensive experience in legal matters and a deep knowledge of the laws and the legal context governing their respective country. Therefore, our cooperation is based on mutual trust, respect, and hard work, so that our clients remain satisfied.

ANNA A. KORAKI AND ASSOCIATES LAW FIRM is one of the leading law firms in the field of buying and selling real estate. With its twenty years of experience in the real estate sector in Greece, our firm can successfully overcome any legal setbacks that may arise during the process. Our cooperation with the largest real estate agencies in the country is constantly enriching its portfolio with new properties for sale, customizing our suggestions for investment to the objectives and business plans of each interested party.

Likewise, the **Alaa Saad Moustafa Law Office** based in Egypt has many years of experience in the area of real estate and established cooperation with consulates and businesses.

For more information, please contact us at support@korakilaw.gr, korakilaw.gr or call +30 210 8250008.



EXPLORING THE LUCRATIVE POTENTIAL OF **BRANDED RESIDENCES AND HOTEL APARTMENTS AS A THRIVING INVESTMENT OPPORTUNITY**

BY REEM HESHAM

There is significant value in development projects associated with luxury brands, as they offer a wide range of services, facilities, and lifestyle benefits that are supported by renowned names in the international hospitality market. Additionally, international high-net-worth buyers seek a sense of security when investing in branded properties within new markets.

Emaar Properties highlights that although buyers of branded properties may pay a price difference of approximately 31% compared to unbranded projects, data indicates that branded residential apartments also hold a higher value. Furthermore, owners of apartments in projects affiliated with a hotel brand may find it easier to rent out their units due to the brand recognition and access to a pool of potential customers associated with

the brand. As a result, branded residential apartments provide a secure option due to their inherent value factors and long-term price protection.

With these considerations in mind, we are currently exploring the promising investment opportunity presented by branded residences and hotel apartments in the market.

The Middle East Stands Out:

According to a report by Savills Egypt, the Europe, the Middle East, and Africa (EMEA) region serves as a prominent hub for branded residences, accounting for nearly 30% of the total supply. Notably, the Middle East stands out with a 12% share of the global supply, experiencing a remarkable growth rate of 120% projected until 2030. This growth is the most substantial among all global regions. As of mid-2023, the region boasts over 190 completed schemes, with an additional 240 schemes in the pipeline expected to be delivered by 2030. This expansion aligns with historical trends, as branded residence schemes have seen a significant increase of over 160% in the past decade, extending their presence across all regions.

Within the EMEA region, Four Seasons and The Address currently lead the hotel brands with completed schemes, each having more than ten operational projects. By the end of 2030, these two brands, along with Fairmont, will each have 20 or more completed schemes across the region.

Among non-hotel brands, both brands under the YOO umbrella, namely YOO Inspired by Starck and YOO Studio, currently hold the highest number of completed schemes in the EMEA region. However, by the end of the projected period until 2030, Elie Saab is expected to increase its presence in the region, reaching the joint-second position with YOO Studio in terms of the number of completed schemes.

In terms of parent companies, Marriott and Emaar currently lead with 25 completed schemes each in the EMEA region. However, by the end of the projected period in 2030, Accor is forecasted to take the lead in the region with 62 completed schemes, marking a remarkable increase of over 350% in its presence.

The Middle East, in particular, showcases significant activity in the realm of branded residential properties, with numerous brands developing unique schemes to tap into the buyer base across the region. Dubai emerges as the main hotspot for branded residences in both the EMEA region and globally, with 51 operational schemes. The total supply of branded residences in the city is expected to nearly double by the end of 2030.

Growing Interest in Egypt

Egypt, with its rich historical heritage and breathtaking landscapes, is experiencing an unprecedented surge in demand for luxury real estate. The combination of opulent living, ancient wonders, and modern amenities has fueled the development of exclusive properties throughout the country. From luxurious waterfront residences to upscale urban apartments, Egypt's luxury real estate market is captivating discerning buyers and investors from around the world.

The luxury real estate market in Egypt is currently undergoing a renaissance, embracing contemporary architectural designs that harmonize with the country's historical magnificence. Prestigious developments in Cairo, Alexandria, the Red Sea, and other areas offer a wide range of upscale options.

During Invest-Gate's roundtable titled "The Luxe Retreat: Exploring Second Home Property Investments as True Wealth Builders," Eng. Hisham Shoukry, Chairman of the Real Estate Export Council and Founder & CEO of Rooya Holding for Real Estate, highlighted the increasing global demand for hotel apartments as a significant opportunity. He noted that while the annual growth rate for hotel rooms is around 3% globally, hotel apartments are experiencing a growth rate of 25%. Shoukry recommended including hotel apartments as part of the hotel segment to enhance profitability and attract more investments.

In a different context, Abeer Essam, a board member of the Real Estate Development Chamber of the Federation of Egyptian Industries (FEI),

emphasized the strong shift towards hotel investments in the real estate market in 2024. This includes both hotel apartments and units, as they are expected to witness significant and increasing demand from real estate developers and investors over the next two years, particularly in areas near universities in new cities and industrial zones. Essam stated that hotel housing represents the future of real estate investment, given the existing gap between the current supply and market needs. Hence, high demand is expected for at least two to three years. She pointed out that the availability of investment opportunities is driving developers to explore new areas that previously received less attention from companies in recent years, such as West Cairo and East Cairo, as well as the expansions of the New Administrative Capital (NAC).

Hotel Apartments: A Lucrative Investment Opportunity Amid Government's Drive to Boost Tourism, Hotel Room Investments

The Egyptian Cabinet has unveiled a new initiative worth EGP 50 bn aimed at boosting investments in hotel rooms and supporting the tourism sector. According to a report by the Information and Decision Support Center, the initiative offers loan facilities and investment incentives to encourage private sector participation in the country's tourism industry.

The report highlights that the addition of every 15,000 hotel rooms is expected to contribute to a value-added tax estimated between EGP 1 bn and EGP 2 bn, as well as approximately EGP 2 bn in commercial and industrial profits tax. Furthermore, it is projected to create around 45,000 new direct and indirect job opportunities.

Under the initiative, loan facilities will be tailored to suit the business size of each company and will comply with applicable banking regulations. Companies can obtain credit facilities of up to EGP 1 bn individually or EGP 2 bn for transactions involving two banks. These funds can be utilized for constructing new hotel rooms, operating existing rooms, and activating inactive rooms within the Greater Cairo, Luxor, Aswan, the Red Sea, South Sinai, and the North Coast areas.

The initiative will be in effect from January 1, 2024, to December 31, 2024. However, to continue benefiting from the loan facilities, companies must adhere to the agreed-upon repayment schedule. The implementation mechanisms for the initiative will be developed through collaborative efforts involving the Ministry of Finance, the Central Bank of Egypt, the Ministry of Tourism and Antiquities, and other relevant stakeholders.

In addition to the loan facilities, the initiative offers investment incentives for tourism projects that comply with Investment Law No. 72 of 2007. The Supreme Council for Investment will identify specific eligible projects.

To ensure responsible implementation, certain conditions have been established. This includes obligating companies to sell 40% of their revenues in foreign currency through the banking sector at the official exchange rate during the five-year support period. Furthermore, the beneficiary of the initiative will receive the provided support after submitting the operating license. The deadline for submitting the license has been extended to June 30, 2026, to allow for an opportunity to increase hotel capacity.

In conclusion, branded residences and hotel apartments offer a thriving investment opportunity that combines luxury living with the reputation and services of renowned international hospitality brands. The Middle East stands out as a prominent hub for branded residences, experiencing remarkable growth and expansion in this sector. Egypt, in particular, is witnessing increasing interest in luxury real estate, driven by its rich historical heritage and modern amenities. Hotel apartments are also in high demand and considered significant investment opportunities. With the combination of market demand, government support, and the appeal of branded residences and hotel apartments, investors have a compelling opportunity to capitalize on the lucrative potential of this thriving sector.



ECO-FRIENDLY SUMMER HOMES IN EGYPT

SUSTAINABLE LIVING AT ITS BEST

BY **WAEEL HOSSAM EL DIN**

Egypt's summer home market is experiencing a significant shift towards eco-friendly and sustainable living spaces. This trend is largely driven by conscious efforts to minimize environmental impact. Popular among foreign investors and expatriates, these properties often feature innovative designs and materials aimed at reducing energy consumption.

New developments are increasingly incorporating green technologies such as solar panels, rainwater harvesting systems, and natural cooling techniques. These eco-friendly features not only bolster the environmental benefits but also attract buyers looking for long-term cost savings and a healthier living environment.

Notable examples include Bahareya Village, designed by EConsult, which utilizes natural cooling methods to provide a comfortable and sustainable living experience in Egypt's western desert.

Another promising aspect of this trend is the rise of eco-lodges nationwide. Places like the Deep South Eco-Lodge & Dive Club in Marsa Allam, and Wishwash Camp in Nuweiba, offer unique vacation experiences while prioritizing eco-conscious living. These lodges use natural materials and sustainable practices to maintain harmony with their surroundings, presenting an attractive option for environmentally aware travelers.

Understanding Eco-Friendly Homes

Eco-friendly homes are designed to minimize environmental impact and promote sustainability. Key elements include energy efficiency, sustainable materials, and waste reduction.

Principles of Eco-Friendly Design

Eco-friendly homes often incorporate features to reduce energy consumption and leverage natural resources. Passive solar design and high-efficiency insulation are standard practices to regulate indoor temperature. Cement tiles are popular due to their sustainable properties and durability.

Water conservation is another critical aspect. Homes often use low-flow fixtures and greywater systems to minimize water usage. Additionally, renewable energy sources like solar panels are commonly integrated to offset electricity needs. A focus on local, renewable materials also reduces the carbon footprint associated with transportation and production.

Benefits of Sustainable Living

Living in an eco-friendly home offers numerous advantages. Thanks to energy-efficient designs and renewable energy sources, reduced energy bills are a significant benefit. These homes are also healthier, often featuring non-toxic materials and better air quality.

Environmental benefits are notable. Eco-friendly homes contribute less to carbon emissions, reducing their overall ecological footprint. Such homes also often include waste management systems that recycle or compost waste, further reducing environmental impact. Investing in sustainability can also increase property values, as green housing options are becoming increasingly desirable among buyers.

Designing Eco-Friendly Summer Homes in Egypt

Designing eco-friendly summer homes in Egypt involves using local materials, implementing energy-efficient strategies, and employing water conservation techniques. These practices minimize environmental impact and ensure sustainability.

Incorporating Local Materials

Utilizing local materials reduces transportation emissions and supports local economies. In Egypt, builders can use Nubian mud bricks, limestone, and palm fronds for construction. These materials not only blend with the natural surroundings but also enhance the aesthetic appeal of the homes.

Moreover, locally sourced materials like limestone and clay are naturally insulating, keeping interiors cooler. Incorporating traditional Nubian vaulted roofs can further improve thermal regulation. Using such materials reduces construction costs and promotes preserving Egypt's architectural heritage.

Energy Efficiency Strategies

In Egypt's hot climate, energy efficiency is crucial. Passive design techniques such as strategic window placement maximize natural light and ventilation, reducing reliance on artificial lighting and air conditioning. Solar panels are an effective solution for harnessing abundant sunshine, providing a sustainable energy source.

Insulation can significantly impact energy consumption. Materials such as green roofs or clay plaster can help maintain interior temperatures. Additionally, LED lighting and energy-efficient appliances contribute to reducing overall energy usage. Incorporating smart home systems can optimize energy management by adjusting settings based on occupancy and weather conditions.

A real estate expert, Karim Refaat, gave his opinion to Invest-Gate and highlighted the critical role of green spaces in urban areas, stressing that their removal of concrete buildings and highways not only harms environmental health but also contradicts the goals established at COP27 and the Sustainable Development Goals.

"Green spaces are the lungs of our cities. Removing them for more concrete structures harms the environment and contradicts the goals of COP27 and the Sustainable Development Goals," says Refaat, stressing the government's latest actions in removing greenery areas and replacing them with cement structures.

Refaat continues, "It's alarming to see the disregard for green areas in favor of rapid urbanization. This approach goes against the commitments made at COP27 and undermines the SDGs discussed during the COP27. We must balance development with nature to maintain a livable and healthy environment."

Moreover, several locations in Egypt exemplify eco-friendly summer homes and lodges, focusing on sustainable architecture and environmental preservation.

Prominent Areas Embrace Green and Sustainable Practices

The Badya Compound project, sprawling over 3,000 feddans in New October City, exemplifies green housing with its sustainable living environment and comprehensive facilities.

Similarly, the "Noor City" project, developed by the Talaat Mostafa Group, is a notable model of green housing. Covering 5,000 feddans in the Capital Gardens, east of Greater Cairo. Also, Noor City features smart management, advanced environmental standards, and extensive green spaces. These projects underscore a commitment to sustainable development and environmental preservation.

Red Sea Sustainable Architecture

In the Red Sea region, sustainable architecture is becoming increasingly prevalent in summer homes and eco-lodges. Properties here are designed to focus on energy efficiency, utilizing solar panels and natural ventilation to reduce reliance on non-renewable energy sources. Many buildings incorporate local materials such as limestone and adobe, which provide natural cooling properties.

One notable example is the Deep South Eco-Lodge & Dive Club near Marsa Allam. This establishment, founded by Karim Nour, integrates green technologies and promotes marine conservation. Their facilities are constructed to minimize ecological impact while maximizing comfort and luxury, making it an appealing destination for eco-conscious travelers.

Siwa Oasis Eco-Lodges

Siwa Oasis is home to several prominent eco-lodges emphasizing sustainable tourism and cultural heritage preservation. The Adrère Amellal is a standout, providing a unique experience where guests sleep in rooms lit by beeswax candles and rest on salt rock beds. This eco-lodge focuses on low-impact living, eliminating electricity usage, and promoting the use of natural materials.

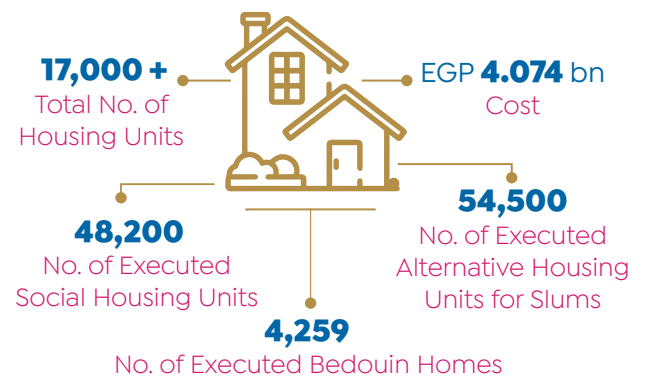
Another significant site is Babenshal Eco-Lodge. It highlights traditional Siwan architecture and practices, promoting ecological sustainability and cultural integrity. The Babenshal, developed by local architects, uses mud-brick construction and solar heating systems, ensuring minimal environmental disruption. For visitors, it offers an authentic, eco-friendly retreat that respects the natural and cultural landscape of Siwa Oasis.

01 Updates 2024 REAL ESTATE MARKET

URBAN DEVELOPMENT IN SINAI & CANAL CITIES



HOUSING PROJECTS



URBAN COMMUNITIES



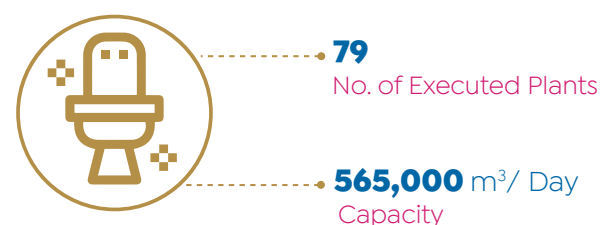
NEW CITIES



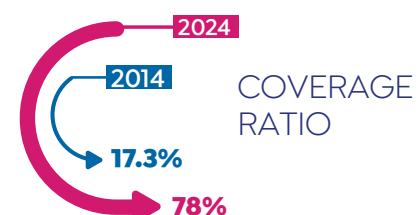
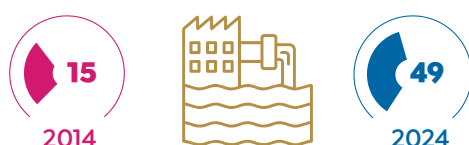
POTABLE WATER PROJECTS



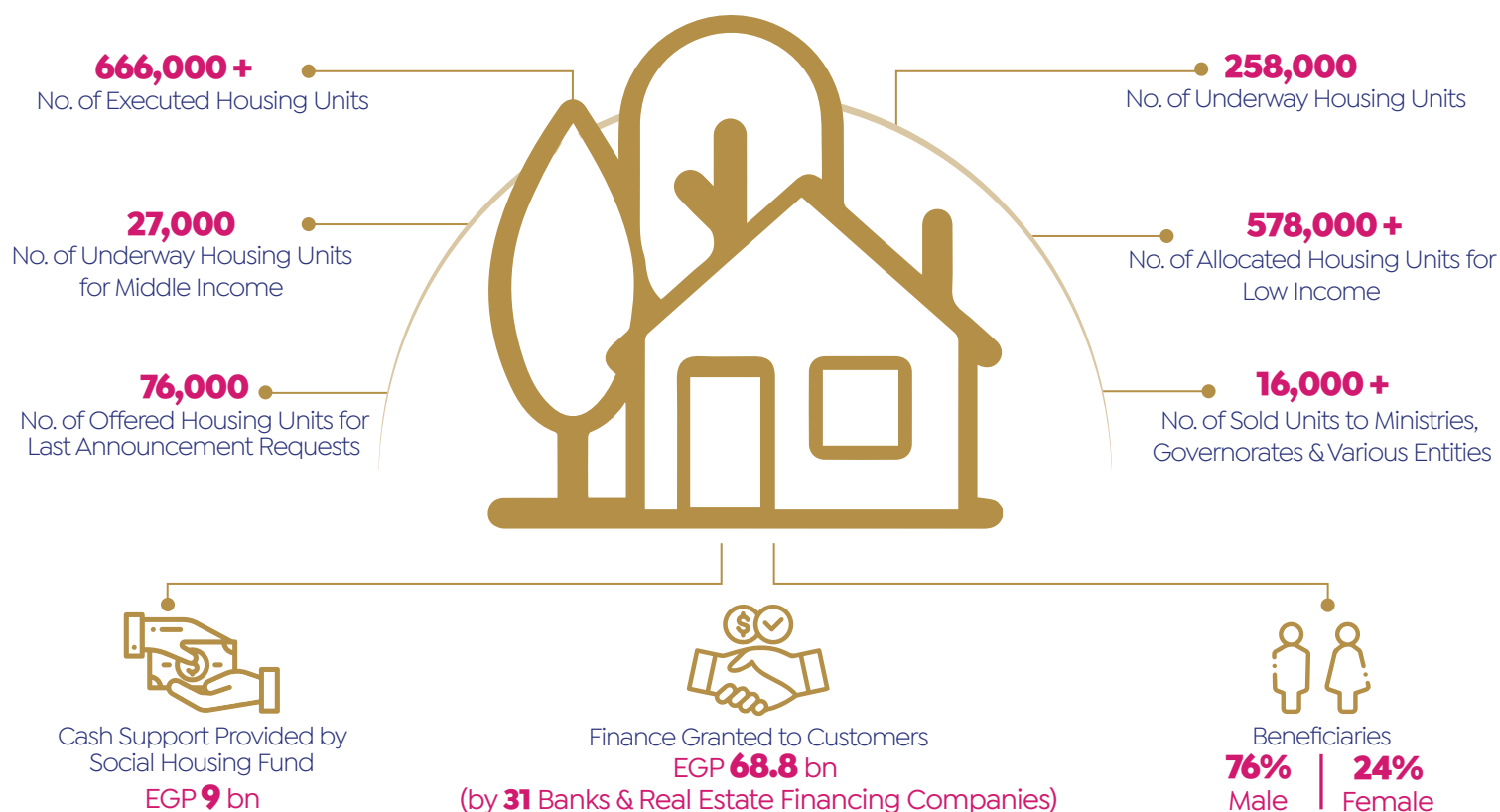
SANITATION PROJECTS



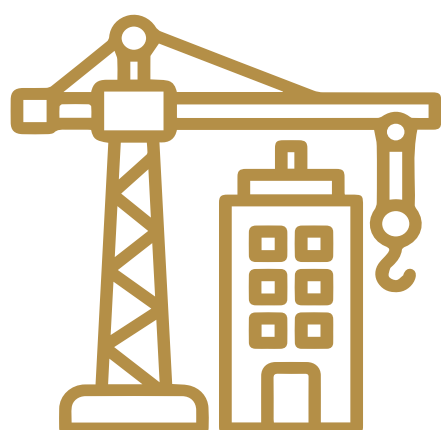
NO. OF SEAWATER DESALINATION PLANTS



HOUSING FOR ALL EGYPTIANS INITIATIVE



SAWARY PROJECT



West Carrefour, Alexandria
LOCATION



419.74 Acres
AREA



80%+
COMPLETION RATE

VILLAS PROJECT



57 Acres
AREA

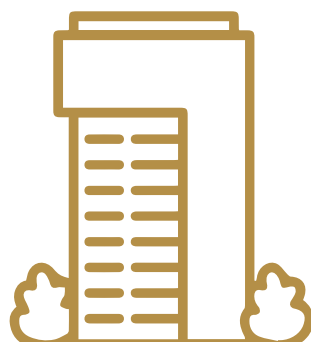
310
NO. OF VILLAS

RESIDENTIAL TOWER PROJECT

60 Acres
AREA



64
NO. OF TOWERS



3,068
NO. OF HOUSING UNITS



130-280 sqm
UNITS AREA



NEW CITIES

Updates 2024



NEW ALAMEIN CITY

BEACH TOWERS



15

NO. OF TOWERS



Interior Finishing Work: Underway
CURRENT STATUS

MAZARINE



707 Acres
AREA



Underway
CURRENT STATUS



7,498

NO. OF BUILDINGS, CHALETs & VILLAS

BADR CITY

RESIDENCES FOR NAC'S EMPLOYEES

► PHASE II



196

NO. OF BUILDINGS



98.5%

COMPLETION RATE



4,704

NO. OF HOUSING UNITS

HOUSING FOR ALL EGYPTIANS INITIATIVE FOR MIDDLE INCOME



44

NO. OF BUILDINGS



55%

COMPLETION RATE



1,056

NO. OF HOUSING UNITS

NEW RASHID CITY

DISTINGUISHED RESIDENTIAL PROJECT WITH COASTAL CHARACTER



25

NO. OF BUILDINGS



Underway

CURRENT STATUS



600

NO. OF HOUSING UNITS

HOUSING FOR ALL EGYPTIANS INITIATIVE FOR MIDDLE INCOME



4

NO. OF BUILDINGS



Underway

CURRENT STATUS



96

NO. OF HOUSING UNITS



Updates 2024



PRIVATE REAL ESTATE PROJECTS



NEW RESIDENTIAL PROJECTS / 1 PROJECT

SHEYA

Developer: Madinet Masr



Near NAC
LOCATION



228,212 sqm
AREA



SUPPLY VOLUME

Total No. of Units: **744**

No. of S-Villas: **420**

No. of Apartments, Studios & Duplexes: **324**

Clubhouse, Water Lagoons & Vast Green Landscapes



within **4** Yrs
COMPLETION DATE



NEW MIXED-USE PROJECTS / 2 PROJECTS

MORAY

Developer: Main Marks Developments



Fifth Settlement, New Cairo
LOCATION



16.5 Acres
AREA



EGP **30** bn +
INVESTMENTS



SUPPLY VOLUME

Commercial, Administrative & Medical Units

Commercial Area: **50,000** sqm

No. of Commercial Units: **190**

NEW PROJECT (NAME N/A)

Developer: Mazaya Developments



MU23, NAC
LOCATION



EGP **5** bn
INVESTMENTS



SUPPLY VOLUME
Commercial, Medical & Administrative Units

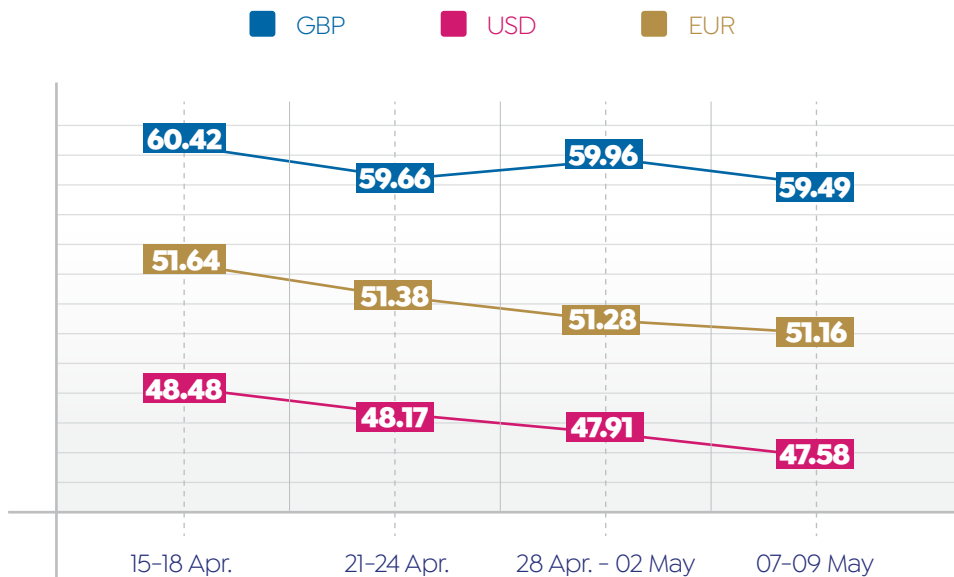
3 Underground, Ground & **9** Floors

04

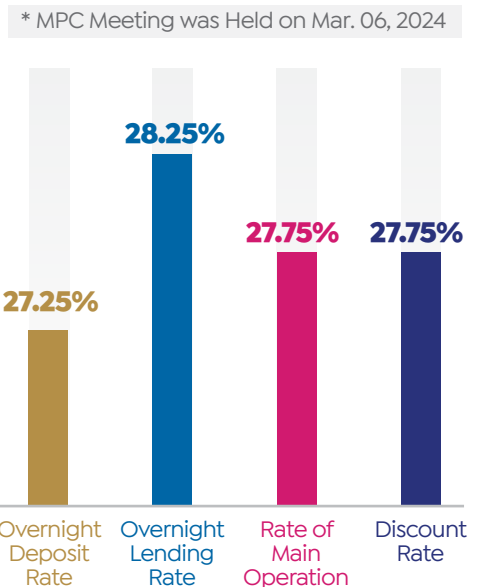
Updates 2024

ECONOMIC SNAPSHOT

EXCHANGE RATES



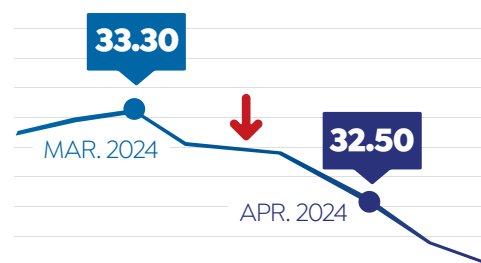
INTEREST RATES



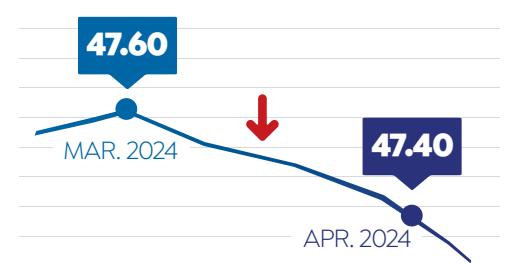
NET INTERNATIONAL RESERVES (USD BN)



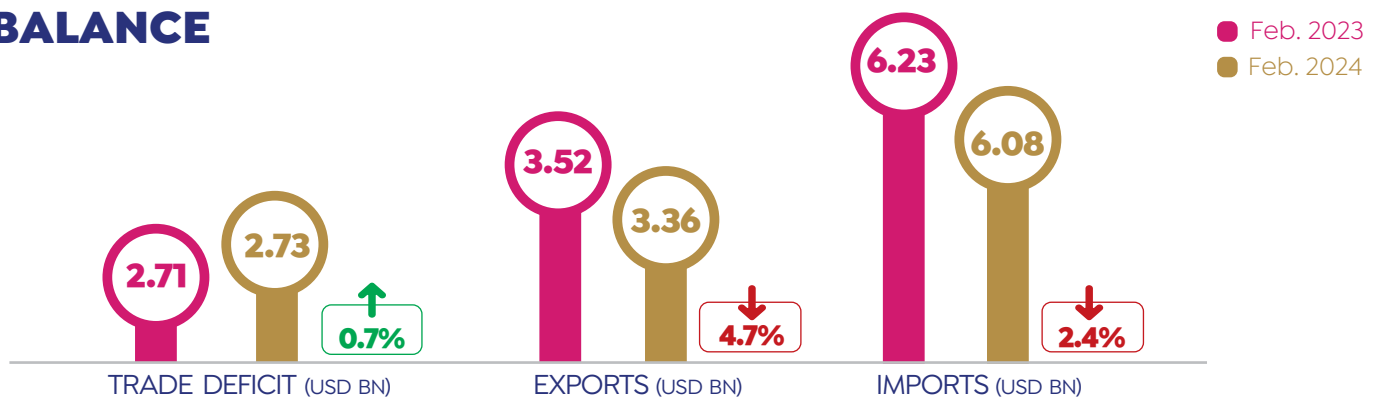
ANNUAL HEADLINE INFLATION RATE



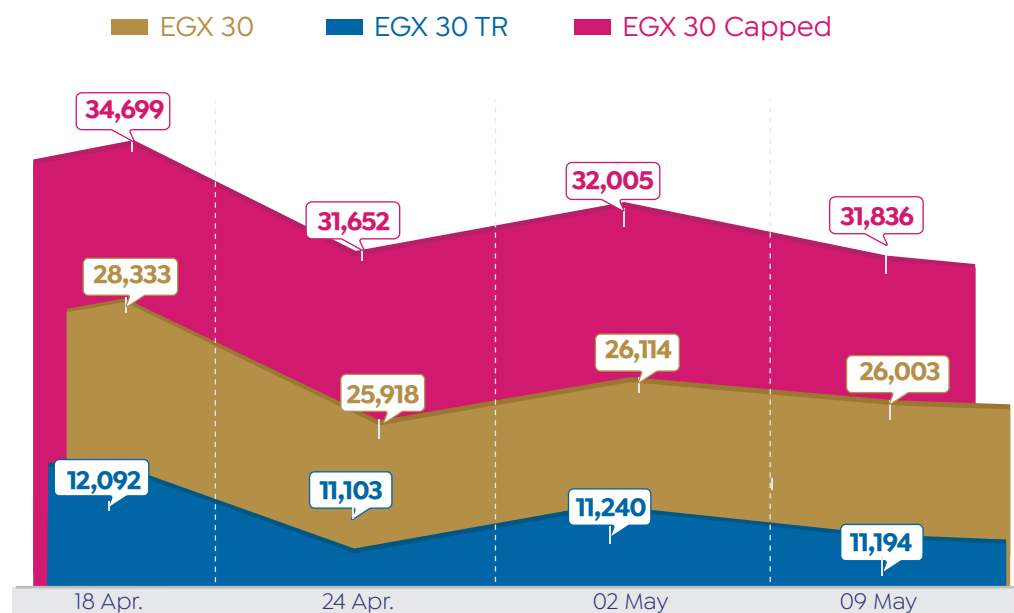
PURCHASING MANAGERS' INDEX (PMI)



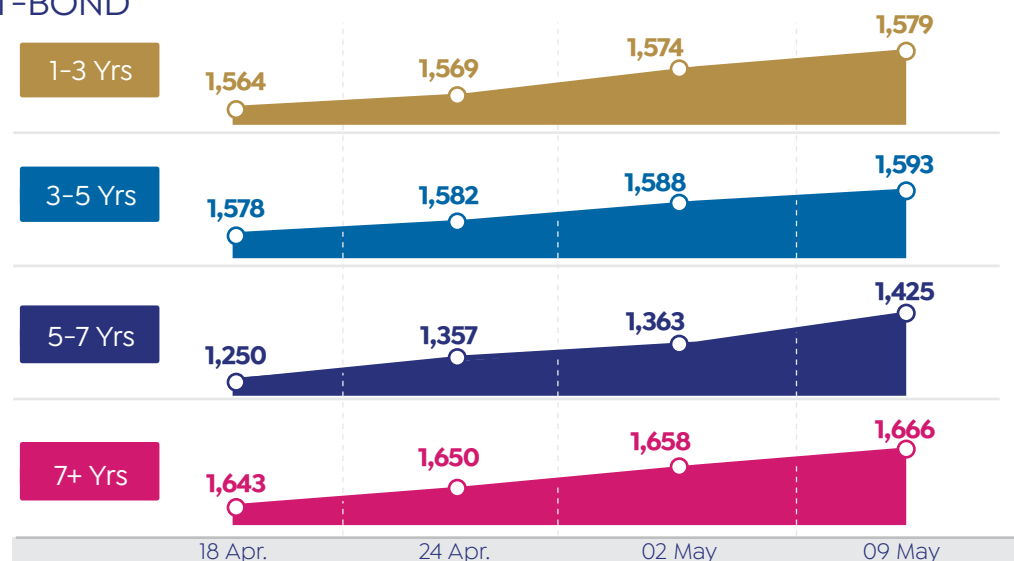
TRADE BALANCE



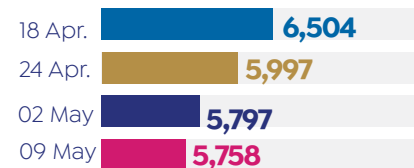
EGX INDICATORS



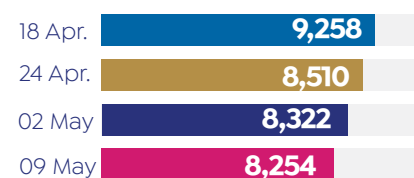
T-BOND



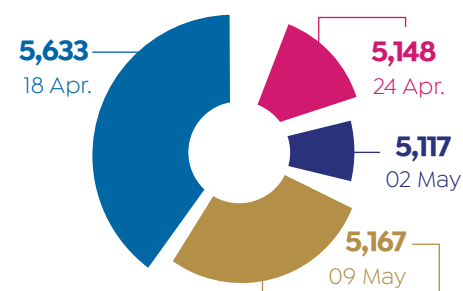
EGX 70 EWI



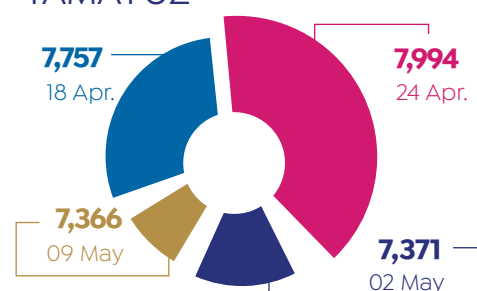
EGX 100 EWI



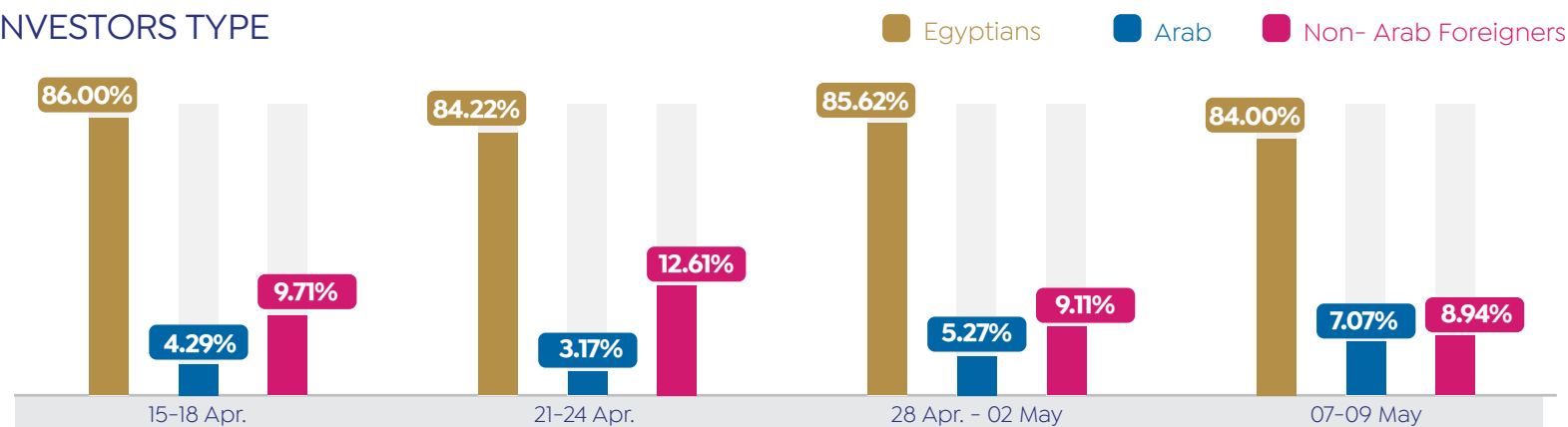
SP/EGX ESG



TAMAYUZ



INVESTORS TYPE



* Listed Institutions & Retail Stocks incl. Deals + Bonds + OTC

FOR ACCESS TO FURTHER
IN-DEPTH ANALYSIS
PLEASE SCAN





MIDDLE EAST HOLIDAY HOMES

GULF COUNTRIES IN COMPETITIVE RACE, TIPS FOR VACATION HOME BUYERS

BY **AMR HOSNY**

TRANSLATED BY **REEM HESHAM**

Real estate developers assert that investing in vacation homes is an effective means of wealth creation. They have explained that the coastal home rental market achieved a value of \$80 bn last year and is projected to reach \$118 bn by 2030, with an estimated annual growth rate of 5%.

According to data from Dubai's Department of Economy and Tourism (DET), the total number of registered units reached 21,132 by the end of March 2023. This represents a remarkable growth of 45.5% in terms of the number of units compared to the end of March 2022 when it stood at 14,518 units. Furthermore, the number of rooms provided increased by 40.7% during the same period, reaching 32,794 rooms compared to 23,299 rooms in March 2022.

Sheikh Mohammed bin Rashid Al Maktoum, Vice President and Prime Minister of the UAE, in his capacity as the Ruler of Dubai, has issued a decree to regulate the activity of renting holiday homes in Dubai. These holiday homes refer to furnished residential units that owners intend to rent out for short-term stays or sublet to guests on a regular and continuous basis, in compliance with the approved requirements and standards.

The primary objective of the decree is to contribute to the growth of Dubai's tourism sector by expanding the range of tourism services offered to visitors. It designates the Department of Tourism and Commerce Marketing (DTCM) as the responsible authority for granting licenses to entities seeking to rent out furnished real estate units on a daily, weekly, or monthly basis.

The new legislation also empowers the DTCM to establish the terms, requirements, and technical standards necessary to obtain a license. It includes responsibilities such as accepting or rejecting license applications, conducting property inspections to ensure compliance with the required standards, and maintaining a database of all licensed establishments of a similar nature in Dubai.

The specific locations where these permits will be granted will be determined within Dubai. The decree introduces two additional classification standards within the existing "Hotel Establishments Classification System," categorizing vacation homes as either "tourist" or "luxury" accommodations.

This decree is expected to increase the supply of accommodations in the hotel and tourism sector, as Dubai aims to attract a larger number of tourists in the coming years, providing visitors with a wider range of options.

Moreover, the DTCM announced financial incentives to encourage the development of new three-star and four-star hotels. Under the guidance of Sheikh Mohammed bin Rashid Al Maktoum, licensing real estate properties as holiday homes will further expand the hosting options available.

The DTCM has confirmed that it is making the necessary preparations to enforce the provisions of the decree and is ready to implement the required measures.

It is worth noting that the "Hotel Establishments Classification System" law was enacted with the objective of expanding the number and variety of available hotel rooms and accommodations in the UAE and Dubai. Its purpose is to elevate the quality level and enhance the services provided by these establishments. The system employs a multi-level framework to assess and categorize each hotel and hotel apartment, taking into account specific criteria for guest accommodation styles and standards.

According to official statistics, the UAE's travel and tourism sector is projected to experience an annual growth rate of 5.1% from 2017 to 2027, reaching a value of AED 16.1 bn. This is equivalent to 5.4% of the GDP by 2027.

The anticipated increase in visitor arrivals is attributed to the significant initiatives and programs implemented by the UAE government. Notably, the UAE Tourism Strategy 2031 aims to elevate the tourism sector's contribution to the gross domestic product to AED 450 bn, representing an annual increase of AED 27 bn. Consequently, there is a growing demand for alternative accommodation options such as holiday homes.

In Qatar, the government has implemented new regulations aimed at safeguarding consumers and establishing a more standardized selection of holiday homes. Qatar Tourism Authority Circular No. 1 of 2021, dated August 29, 2021, outlines the following key provisions:

- Independent villas situated in any area are eligible to be used as holiday homes.
- Apartments located in designated tourist areas, as defined by Minister of Economy Decision No. (106) of 2017, can also qualify for use as holiday homes.
- Individuals or entities intending to engage in holiday home rental activities must first obtain a license from the Qatar Tourism Authority.
- The license can be obtained by property owners, operators, and individuals with legal rights to utilize the unit.
- Applications for the license are to be submitted online.
- Once obtained, the license remains valid for five years and can be renewed for an additional five years, contingent on continued compliance.
- All license holders must adhere to the service and quality requirements specified in the Holiday Homes Circular. These requirements encompass various aspects, such as providing 24/7 ambulance call services for visitors, establishing a policy for handling visitor complaints, preparing a comprehensive list of amenities based on the holiday home category, promptly delivering keys to guests on the agreed-upon date and time, and abiding by all conditions outlined in the rental contract for the respective holiday home category.
- The maximum rental period for holiday homes is 30 days.
- Prior to operating a holiday home, it is essential to consider additional details, including the Qatar Tourism Authority's right to inspect the property through its employees or appoint a third party for this purpose.

Statista projects that the number of vacation home users will reach 891 mn by 2026, with online sales revenues accounting for 74% of total revenues in the same year. Consequently, a significant proportion of business and leisure tourists visiting Qatar are expected to opt for booking holiday homes during their stay, provided suitable options are available.

To assist potential buyers, real estate experts recommend several tips to consider before purchasing a vacation home. These include understanding the property's type and location, taking ample time before finalizing the purchase, thoroughly exploring various options, carefully selecting the desired location, estimating the frequency of visits to the vacation home to determine the necessity of ownership, evaluating the associated costs, considering a trial rental period, preparing a suitable budget, and comprehending the maintenance responsibilities involved.

A photograph of two young children, a girl and a boy, walking away from the camera on a paved patio towards a swimming pool. The girl is on the left, wearing a tan t-shirt and patterned shorts. The boy is on the right, wearing a mustard yellow t-shirt and dark shorts. They are barefoot. In the background, there is a large swimming pool with lounge chairs and umbrellas. A large tree with green leaves and small pink flowers is in the foreground, partially obscuring the view. The scene is bright and sunny.

HOLIDAY HOMES IN EGYPT **THE PRIME INVESTMENT CHOICE FOR EGYPTIANS, FOREIGNERS**

BY **HEBA GAMAL**

TRANSLATED BY **MUHAMMAD KHALID**

Egypt captivates tourists from around the world with its breathtaking destinations, boasting numerous towns and regions among the globe's top tourist spots. For families and individuals visiting Egypt, second homes present an exceptional option, whether for summer vacations or any time of the year. While visitors might initially consider booking a hotel, many change their minds upon discovering the benefits and returns of investing in second homes in Egypt.

The Egyptian government is actively working to stimulate the real estate investment market, particularly in tourism. This effort includes re-utilizing the northwestern coast and Red Sea cities, reimagining these areas, and transforming them into vibrant, year-round resources. The summer real estate market offers promising investment opportunities for both Egyptian and foreign buyers, especially with the large-scale real estate projects currently underway in most coastal regions.

Dr. Mostafa Mounir, CEO of the Tourism Development Authority (TDA), stated that the North Coast, Ain Sokhna, and Ras Sedr are the most attractive areas for second homes in Egypt. He confirmed that the TDA plans to increase facilities for companies and developers, alongside incentives under Prime Minister Mostafa Madbouly's directives to remove obstacles for investors. Mounir promised that periodic meetings will be held in the authority to get a better understanding of investors' visions and needs.

To What Extent Do Egyptians Prefer Investing in Summer Homes?

To answer this question, Invest-Gate conducted a survey to gauge the demand for summer holiday homes among individuals and investors. The survey also aimed to analyze the factors that would boost local and international investments in the second homes market. The report, prepared by Invest-Gate's research and analysis team, indicated that 73% of the developers surveyed said projects on the North Coast represent more than half of their sales. However, 14% of developers reported that only half of their sales come from North Coast properties, while 13% achieved less than half of their sales in this region.

Furthermore, around 97% of the surveyed developers expect demand and investment in the North Coast to increase in the future, while the remaining 3% believe the situation will remain unchanged. Regarding consumer preferences on the North Coast, 100% of participants believe that chalets are the top choice for consumers.

Advantages of Investing in Second Homes, Tourism Real Estate

- **Bringing in Foreign Currency and Stimulating the Economy:** Tourism real estate helps bring foreign currency into the country by hosting tourists and collecting financial returns, leading to increased economic activity and investments.
- **Providing an Alternative Investment Option:** Owners can benefit from their residential units, which they do not use as a housing option, by achieving significant financial returns by renting them out to families and tourists.
- **A Safe Investment Haven:** Investing in tourism real estate is considered a safe investment in the short and long term due to the sustained demand for travel and accommodation. It is also an effective way to preserve capital value over time.
- **Diversifying Options for Tourists:** Second homes diversify accommodation options for tourists and visitors, moving beyond hotels and serviced apartments. Second homes

offer easy entry and exit, much like a private home, providing privacy and comfort for visiting families and long-term tourists.

- **Flexibility in Use:** With daily or short-term rentals, owners do not have to deal with long-term tenants who may be careless or non-compliant. Moreover, owners can use second homes personally without needing to cancel leases with tenants.

Experts' Opinions on Increasing Investment in Second Homes

Coastal homes are a growing global trend, as their rentals reached \$80 billion in 2023 and are expected to hit \$118 billion by 2030, with an annual growth rate of 5%, Dr. Raymond Ahdy, CEO of Wadi Degla Developments, highlighted during Invest-Gate's round table titled "The Luxe Retreat: Exploring Second Home Property Investments as True Wealth Builders".

Moreover, Mr. Omar El-Tayebi, CEO of TLD-The Land Developers, explained that investing in the entertainment sector in coastal areas is crucial as it increases investor and client presence. He added that about 70% of hotel rooms under the Ministry of Tourism's supervision are located in Sharm El-Sheikh and Hurghada.

El-Tayebi emphasized that tourism investment needs banking sector support to broadly activate the sector.

Eng. Yasser Al Beltagy, Founder and Chairman of YBA, discussed the architectural perspective of second homes, explaining that designing these homes requires a comprehensive approach, including considering construction, terrain, as well as aesthetic and emotional elements to attract buyers.

Al Beltagy noted that providing the required amenities and services is also crucial for a project's success, citing Marina as a prime example.

Mr. Ayman Abbas, Chairman of Intro Investments Holding, also stressed the importance of investing in second homes. He cited the remarkable transformation in the real estate market in the UAE, especially in Dubai.

Abbas said that a comprehensive strategy can be developed to achieve similar success in Egypt, stressing the need for effective decision-making and factors such as land and prime locations.

He also mentioned that Ras El-Hekma would be the first free zone project for commercial and tourism services.

In conclusion, summer vacation homes represent promising investment opportunities and are an important means to stimulate the real estate market. This is especially true since Egypt has several advantages that attract foreign investors to buy local real estate, most notably the stability of the property market and the declining value of the Egyptian pound, making it a safe climate for investment. The massive real estate projects that Egypt recently witnessed have also been a notable contribution to attracting significant foreign investments in the real estate sector in general.

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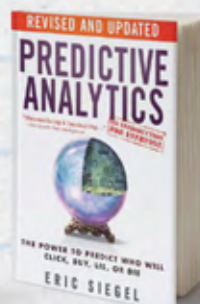
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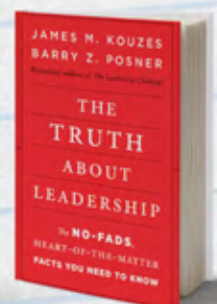
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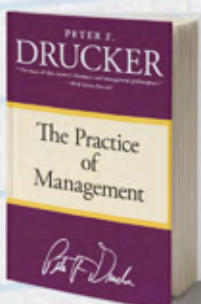
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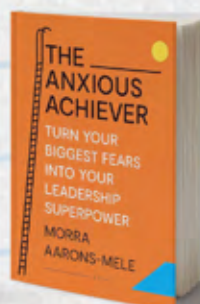
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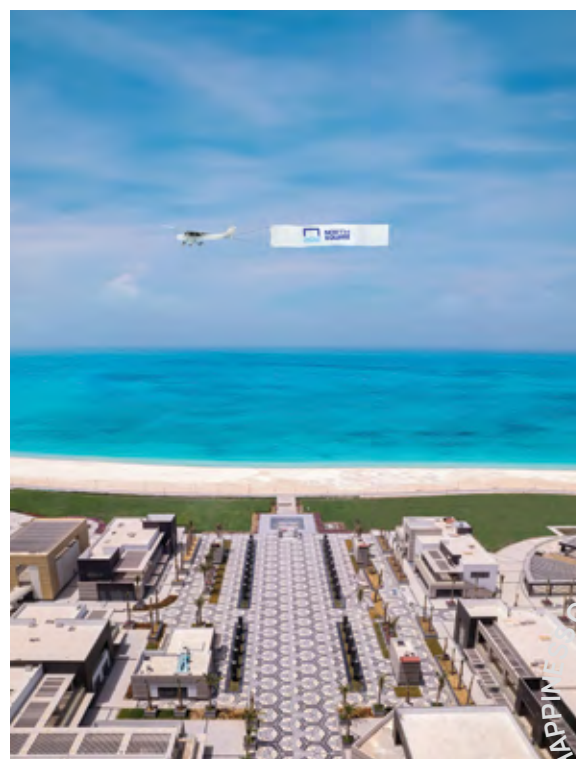
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North Square has officially opened this summer, unveiling an extraordinary array of brands and experiences. Spanning an impressive 164,000 sqm, **North Square** has established itself as the largest, most unparalleled regional destination. This one-of-a-kind integrated seafront landmark is nestled in the heart of New Alamein City, set to transform the area into the North Coast's ultimate leisure lifestyle hub.

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