



Maher Milad Iskander & Co.
LAWYERS & COUNSELORS

EGYPT

LAND OF OPPORTUNITIES

Invest in Real Estate

An Economical Guide

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Additional detailed information on Egypt, and advice on how to access our market intelligence and services, can be obtained from Maher Milad Iskander & Co. Trade and Investment Team in Egypt. Full contact details are available at the end of this guide.

Whilst we make every effort to ensure that the information is accurate, we can accept no responsibility for any errors, omissions or misleading statements.

Maher Milad Iskander
Managing Partner

Background of Real Estate in Egypt:

This guide is designed to inform potential investors about the current and upcoming real estate market within Egypt. We hope that after you have completed looking through it you will have an understanding of the different types of real estate within the country, where the core areas of investment lie, the advantages of investing here, and the legal processes which must be incurred to successfully carry out a project within this sector. We have also included a section outlining relevant success stories within this field. At the end you can find a brief over-view of our firm and the services we provide should you decide to launch a project in Egypt.

Introduction

With a growing population and an already well-established market, the opportunities for investing in Egyptian real estate are prominent. There is a great demand for residential construction in Egypt where there is a high population growth rate and a high urbanization rate. Such demand is mainly driven by the desire for low and middle income housing; a gap that is yet to be satisfied. It is also important to note that 29% of the population is under 40 years old and almost half of the Egyptian population is under 19 years old, as this suggests a continuation in the demand for various forms of real estate within the country. This sector already contributes significantly to the Egyptian economy by impacting around 90 industries relating to construction and 8% of the overall labour force, and it is expected that by 2015 a further USD 7.3 billion will be invested into the building and construction sector.

Despite the recent global economic turmoil, the underlying fundamentals of the real estate market in most of Egypt governorates have remained essentially intact. Large-scale developments are being added to the market to cater for an increasingly sophisticated local population, and there is a high demand for commercial and retail property to cater to the growing middle class.

The ability to meet these demands have been facilitated by the recent structuring of the mortgage market and ease of access to finance which has also allowed for a diversification of asset classes. A large number of shopping centers and office parks are under construction in an effort to meet the demand from a more structured market driven by the growing middle class.

Since 2001/2002 the value of real estate investments have continued to incline reaching EGP 31.8 billion in 2012/2013 (27.5% growth rate), with 98% of the total investments coming from the private sector. Furthermore, it is estimated that between 2007 and 2022 approximately 8 million housing units will be needed. The private sector have invested a further EGP 400 billion into developing new cities, 22 of which have been completed with a remaining 5 under construction. In 2014 the residential sector was the strongest performing

sector in the market during the second quarter, with villas witnessing the strongest increase, of 17%, in New Cairo.

Most real estate and urban expansion projects occur within Cairo and the two new cities (New Cairo and 6th of October) where international real estate heavy weights such as Coldwell Banker - Egypt, Edar, ERA Egypt, mostly operate. Other key areas of the country have become renowned internationally for their tourism attraction such as Sharm El Sheikh, Hurghada, El Gouna and Marsa Alam. SODIC, one of Egypt's largest listed real estate developers, plans to invest 2.4 billion Egyptian pounds (\$336 million) in 2015 and is hunting for new projects as the sector recovers from three years of turmoil.

Cairo:

Accounting for approximately two-thirds of all real-estate projects, the capital has always been a favoured spot for investors. The concentration of population in Greater Cairo allows many mixed-use developers like Emaar, Al Futtaim and Kingdom Holding to not only address housing shortages, but also retail, office space, hotels and the infrastructure requirements that are a part of such developments.

New Cairo

New Cairo is a recent satellite city of the capital which was erected with the assistance of a Boston firm. It is home to several universities and many residential areas, many of which are at the higher end of the quality spectrum. Prime commercial space in New Cairo has been flagged as something of a safe haven,

with maximum rents in the office and industrial sectors showing exponential year over year growth. Sector experts believe that this is due to favourable geographic location: close enough to Cairo to remain central, yet far enough away to be isolated from the hustle and bustle of the capital. The city is also renowned for its numerous gated communities.

6th of October City

The 6th of October City posed the strongest year over year performance having only suffered a contraction in the retail segment. As another satellite city for the capital, 6th of October houses Egypt's 'Smart Village' and is seen as the hub of technology and finance businesses in the country. This well-backed client base for commercial real estate will have

played a crucial role in the relative stability and performance of commercial properties - particularly in the office and industrial sub-sectors.

Al Obour City

Al Obour occupies a total area 132.3 million m². Upon completion in 2017, the city's expected population will be 600 thousand inhabitants. The area is divided into districts which include all housing categories (economic - medium - above medium - luxury), with the residential area of the city occupying around 22.26 million m². There are over 92 thousand units under construction, 30 thousand of which are implemented by the New Urban Communities Authority (NUCA) with a total investment of EGP 1.09 billion. Total investments in Obour city so far are valued at EGP 1.4 billion.

Al Shorouk city

Al Shorouk is another second generation city. It lies along Km 37 Cairo – Ismailia road with a wide extension reaching Cairo – Suez. It occupies a total area of 50 million m² and houses approximately

500,000 inhabitants. The total residential area of 34.02 million m² is divided into districts including all housing categories (economic – medium – above medium – luxury). 57 thousand housing units have been implemented, of which 27

thousand housing units were executed by the New Urban Communities Authority at different levels with a total investment of EGP 893 million.

Real Estate Types

- Residential real estate investments are properties such as houses, apartment buildings and town houses.
- Commercial real estate investments consist mostly of office buildings.
- Industrial real estate investments consist of factories and different industrial units with various sizes.
- Retail real estate investments consist of shopping malls and other retail storefronts.
- Compounds refer to a cluster of buildings in an enclosure, having a shared or associated purpose. The compound can be considered as small communities where different facilities must be provided.
- Hospitality investments related to the tourism sector contain hotels and resorts.
- Real Estate Investments also include administrative, cultural and educational buildings in addition to hospitals and other buildings.

Areas for Investment

Retail Establishments

Because such a large percentage of the population consists of youth, it is no surprise that there is a growing retail market in Egypt. The younger generation in Egypt is well educated, experimental and tech-savvy, often looking to adopt western trends in fashion and technology.

Coupled with the emergence of a more affluent middle class, there is a strong movement toward accepting modern retailing concepts that match Egyptian lifestyles, which is also driving shopping behaviour in the region. Egypt is ranked 13th in terms of the most attractive retail market worldwide, making it one of the most promising and fastest expanding markets in its region, lucrative for foreign investment.

Retail outlets account for 59% of total business establishments in Egypt. Within the sector, 99.7% of all establishments are micro enterprises, employing between one and four workers. The US\$ 31 billion food, beverage and tobacco retail market is the largest component of the sector, but remains largely fragmented, with mass retailers accounting for only 8.6% of the total market (by value), while traditional convenience grocery stores dominate the retail scene.

In total, there are just over 1 million private enterprises active in retail. Food and beverage retailers account for 50.9% of total establishments and 43.5% of employment in micro enterprises. This is followed by textiles, garments and footwear enterprises, which make up 8.6% of total establishments and 9.6% of employment in the sub-sector.

Today there are already several international retailers located in Egypt including:

- Aldo (footwear) which has four stores in Cairo and one in Alexandria.
- Bershka, located in 50 countries and the youngest brand of the Inditex group, is operating in Egypt selling fashion clothes, shoes and accessories to the 13 – 25 year old market (Bershka, 2011).
- Bianco, a trendy footwear brand from Denmark is currently operating in Egypt and has two outlets in El Obour City and City Stars Mall.
- The French Connection, a clothing retailer, chose Egypt as one of its Middle Eastern locations.
- H&M, located in Cairo.
- Radio Shack is the biggest electronics retail chain in Egypt. The first outlet was opened in Cairo in August of 1998.
- Zara and Mango, the Spanish apparel provider.
- Clarks, the UK specialty footwear and leather goods provider, opened recently in City Stars Mall.
- Esprit, located in Cairo.

Department stores have long been present in Egypt. In the early part of the 20th century, Cairo and Alexandria boasted a large number of department stores, at that time on par with those in Europe; however, the number of department stores later decreased and was matched by the expansion of small-scale clothing retail shops. In 1986, the first shopping mall was opened as an annex to the Cairo Ramses Hilton, following which,

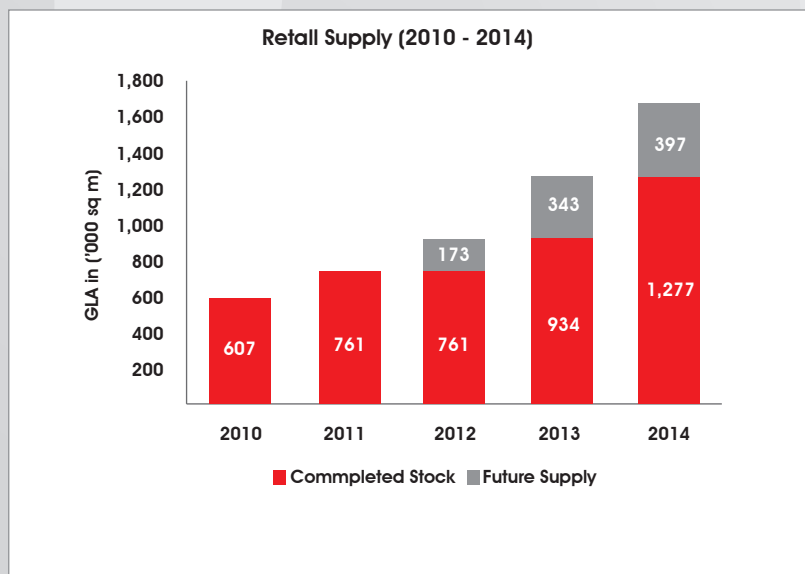
malls spread across Cairo.

Today, international brands are very prominent within the retail market. Despite the increased competition, the market is far from saturated. Department stores currently target a small percentage of the market, consisting of wealthy consumers constituting around 4.9% of the total population (approximately 3.55 million people). This small percentage, however, still remains significant in relative terms, since it is larger than the entire population of Dubai and almost as large as the population of Lebanon - the region's traditional retail hubs.

The use of credit cards is greatly increasing Egyptian shoppers' purchasing power especially since

there has been an incline in dual household incomes. E-commerce growth is expected to upsurge as Egyptian youth buying power increases. When customer knowledge increases, demand for service quality increases too and this is facilitated by the growing access to the internet which enables Egyptians to customize orders and obtain products which were previously inaccessible.

All of these factors illustrate the abundance of opportunities available for investing within retail in Egypt, be it through building shopping centres, franchising an existing store or investing in a single shop which caters to the youth of the country.



Modern Grocery Distribution

Grocery chains are also experiencing success in Egypt. Carrefour, Spinneys and the locally owned Hyper One have opened chains within the country. There is a potential for more retail expansion since the market is undersupplied.

Large international retailers like Carrefour, Ahold, Tesco, Walmart and Metro have already begun operating in emerging economies with locations like Asia, South America, Eastern Europe and the Middle East, often locating where food retailing is dominated by family owned stores and other small retailing entities.

Supermarkets and hypermarkets have had prominence in the country since the 80's, many of which arose due to foreign licensing. The hypermarket concept was popularized by local companies including Ragab Sons, Abu Zikri and El-Hawary, which operate at the

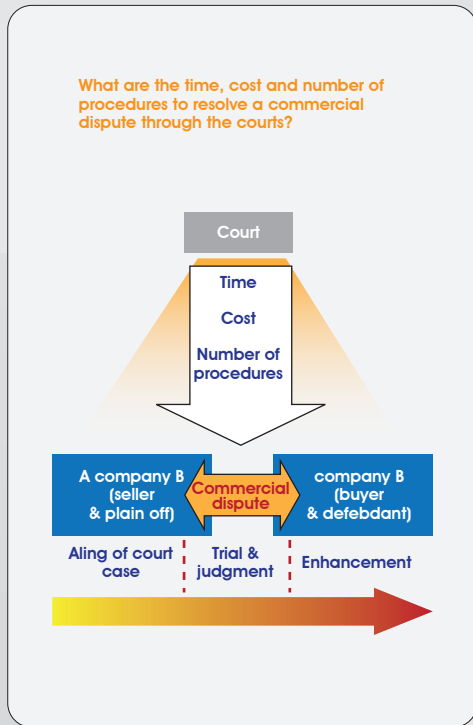
middle and lower end of the market, specializing in retail sales at highly discounted prices. Carrefour began its operations in 2003, and opened a second branch in 2005. It now has operations in both Cairo and Alexandria. One of the most recent comers to Egypt's retail sector is the Middle Eastern chain Spinneys, which opened its first 13,500-square-meter hypermarket outlet in 2006, costing around US\$ 10 million.

Despite the existence of these well-established chains, the scope for further growth of supermarket/hypermarket enterprises in Egypt remains large, with studies indicating that the Egyptian market is far from saturated: The 20 million people who live in the Greater Cairo area are served by only 700 supermarkets, and fewer than 10 hypermarkets.

Even if the Arab Spring has fundamentally changed a lot of the region's political landscape, what is not contestable is that there is huge room for growth in food retail in places such as Egypt.

The Egyptian Legal System:

Egypt's system of civil law is based on a legal code derived largely from the Napoleonic Code. Jurisdiction is determined on the basis of the claim value. Cases up to and including EGP 40,000 (US\$5,700) are heard by the lower division of the courts of first instance, and those above EGP 40,000 are heard by the upper division.



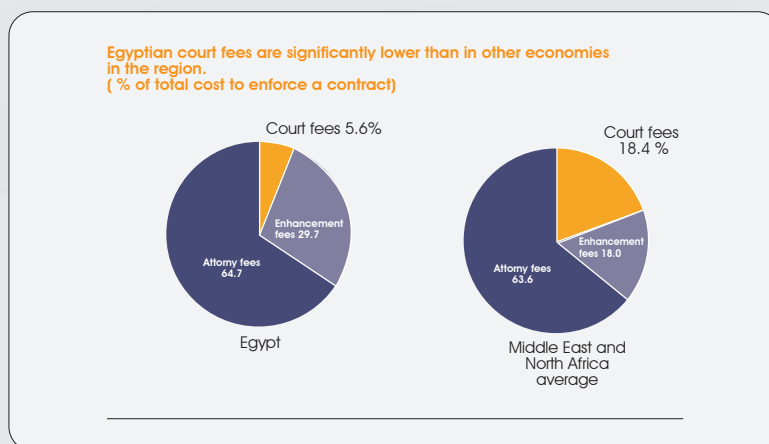
The Civil and Commercial Procedural Code regulates the procedures before all sorts of courts as laws, regulations and procedures are the same across cities. However, the court jurisdiction varies from one local court to another according to the nature of the dispute.

One way to reduce caseload is alternative dispute resolution (ADR). Since 2009, the International Finance Corporation (IFC) has supported an ADR project by providing professional training and certification for mediators, conducting awareness raising workshops, and assisting with the drafting of Egypt's first mediation law, which will regulate both private and judicial mediation. These efforts have already started to produce positive results. There is a now steady referral of cases to mediation at the three IFC-supported institutions—the Economic Courts, the General Authority for Investment and Free Zones, and the Cairo Regional Centre for International Commercial Arbitration—and the average number of days required for case resolution through mediation is 28.6 days.

The average cost of litigation in the Egyptian cities measured is 23.6% of the claim value, is significantly lower than the global average of 35.1% and below the regional average of 24.6%. Court and enforcement fees are regulated nationally by the Ministry of Justice as set by the Law on Court Fees and therefore are identical across cities. Egypt's court fees, at 1.3% of the claim value, are among the lowest in the world. Together, the court and enforcement fees constitute 35.3% of the total cost, with court fees accounting for only 5.6%, compared with 18.4% of the total cost in the Middle East and North Africa. Court fees such as the fee to file a case are fixed, while the enforcement fees are largely based on a percentage of the claim value.

Egypt is one of the countries which take less time to issue a judgment. As the number of days it takes to consider a lawsuit is 1010 days. This is relatively good in comparison with Italy that takes 1185 days to consider a lawsuit.

Such period could be reduced in many governorates where an efficient computerized system allows judges and court registers to access case information including trial dates, adjournment and final judgment.



Purchasing Procedure:

Off Plan Purchases:

The buyer reserves a new (off plan or under construction) property with a reservation deposit (usually between GBP£500-£2,000) providing the 'option to purchase' and fixing the sale price from date of reservation.

The vendor (seller) releases a private purchase contract (in English & Arabic) and supplies paperwork relating to the title, boundaries, planning permission, building license, furniture pack and rental guarantee option.

Part of the contract will also lay down the conditions relating to the payment of the balance of the purchase price. Often the installments are payable at certain "milestones" of the build.

The purchaser will transfer the correct sum of money at each installment time as per the agreed sales contract. A few developers are beginning to offer an 'escrow' type account where the money will be held until the developer has reached the 'milestone' so the money can be released to the developer only when it has achieved the promised stage of development. This helps to safeguard the client's exposure in case of the developer running into problems with the construction.

The keys are given to the owner once the payments, as indicated in the contract, are completed.

The property can now be registered / signature of validity applied for in the land registry in the name of the new owner

Older Property Purchases:

- A real estate investor wishing to avoid new property and contemplating the purchase of undeveloped land or older, well established resale properties will need to employ a lawyer specializing in real estate law in Egypt to advise on any such purchase to ensure the transaction is conducted legally and that at the end of the property buying process the investor is the legitimate owner of the real estate and can seek to have it registered by the authorities in his name and acquire the deeds to the real estate.
- A foreign property investor purchasing in an “off plan” development now has two options of registration, one of these processes must be adhered to (see registering property in Egypt).

Table: Terms of Rental Contract/Lease - 2013

	Lease terms (in years)	Rent free months (if any)
Cairo	3-5	1-3
Giza	1-9	3
6th of October City	1-9	Nil
New Cairo	1-5	Nil

Source: BMI

Registration of Property

- When purchasing property in South Sinai, one can only purchase a 99 year lease on the land and therefore the buyer can only purchase through the process of Signature of validity. In other areas of Egypt where the land is freehold, either process can be adopted. However, even in the areas of Egypt where foreigners can purchase freehold, signature of validity can be used instead of registration.
- Foreigners can buy property in Egypt, under Law No 230 of 1996. Foreigners cannot buy more than two pieces of real estate, which cannot exceed 4,000 square meters (sq. m.) in total, and their purpose must be for a family member to live in the property.

The purchase must have the approval of the Council of Ministers, which takes around two months.

- If registered, the property cannot be sold or rented for five years. The purchase sum must be brought into Egypt in foreign exchange, through one of the public commercial banks (though this provision of the law is not enforced).

- Finally, the property must be rented furnished after the 5 year period, which has tax disadvantages. If the foreigner is married to a local, the obvious solution is to get his/her spouse to buy the property and then let the property unfurnished, as locals do, usually avoiding tax.
- Recently Egypt agreed to cap the total payable under the 3% registration fee rule at LE2,000 regardless of the purchase price of the property, but this new ruling has not yet become law.

Signature Validity

This procedure was first introduced because property in Sinai follows a different regime, due to an administrative decree issued in 2005.

Under the decree, foreign purchasers in Sinai cannot acquire freehold rights, but only 99 year leases. In 2006, this decree was updated to include Egyptians only being able to obtain Usufruct contract (i.e. a 99 year lease contract) in Sinai and not freeholds. Therefore, all purchasers must follow a procedure called a 'signature validity court verdict', and various other steps. The 'signature validity court verdict' method has actually become the most popular route for foreigners even outside Sinai, because it allows foreigners to buy as many properties as they like, rent them, and sell them. The following steps must be taken:

- A 'negative' certificate for the property should be obtained from the government, stating that there are no mortgages, pledges, or any other sort of rights on the property registered to any other party.
- The tax authorities must issue a certificate stating what taxes are due on the property.
- A sale / usufruct contract should be drawn up. The validity of the sale depends on the terms of the contract. So it is essential for the purchaser to have a detailed contract, defining the property boundaries, the purchase price, the method of the acquisition of the rights of the previous owner, and the method of payment. The contract must be in Arabic, since Arabic is the only language recognized by the courts.
- Purchasers must issue a power of attorney to their lawyer so that he can act on their behalf, a procedure which first requires the purchaser to obtain a multi-entry visa.
- Then the lawyer files a legal suit to obtain a court verdict certifying that the signature on the sale / usufruct contract truly belongs to the seller (This is the 'signature validity court verdict'). This suit will take between 6-8 months. Cost of signature of validity is maximum EGP 2,000.

Taxation

Property Rental

Egyptian tax laws work on a self-declaration taxation system where rental income derived from furnished property is classed in the same bracket as general income tax. 70% of the gross rent is accountable as tax on income, the other 30% being allowable deductions as income-generating expenses.

Property with an annual rental values less than EGP 24,000 will be exempted from paying taxes, along with commercial units with annual rental values less than EGP 1,200. Those owning EGP 2m in a single residential unit will also be exempted from tax, as well those owning EGP 100,00 in commercial and industrial units.

Property valued above that figure will be taxed based on an assessment of its annual rental value and under new legislation there is a stipulated levy of 10% of a property's annual rental value after deducting 30% to 32% as

maintenance costs. The balance is taxable at a standard rate of up to 20% rate of personal and corporate income.

Stamp Duty / Capital Gains Tax / Inheritance Tax

In Egypt there is no stamp duty or capital gains tax payable on real estate and, if you are a British resident, you will also avoid inheritance tax on any Egyptian properties that you decide to pass on to your loved ones.

Sale of Property

In terms of property in Egypt, the sale of land and/or buildings is taxed in the same way and the system is very simple.

Egyptian tax chargeable at 2.5% of money earned from a sale and it must be filed as tax owed by April 1st. For example: an individual or corporation selling a piece of land for LE 100,000 must file a tax return by March 31st stating that LE 2,500 is owed in taxes.

The only exceptions (under Article 42) are income from the sale of inherited land or other real estate is tax which are free, as is any income earned from the sale of land or other real estate owned through a shared capital company, provided you keep your shares in the company for at least five years after the sale. This last provision is designed to prevent the formation of "paper" companies to dodge tax liabilities from the sale of properties.

Advantages of investing in Real Estate:

Whether you are looking to purchase property for your own personal use, or as an investment Egypt offers many incentives:

- Low property prices starting at around only £30k
- Steady year-on-year capital appreciation of between 20-30%
- Beautiful, well established tourist hotspots suitable for varied tourist interests, from excellent diving and snorkeling to cultural and historical locations
- Stunning natural, unspoilt landscapes
- Steady annual growth in tourist figures
- Less property taxes than paid in the UK
- No capital gains tax
- British residents avoid inheritance tax on any property in Egypt
- Foreign investors are regarded by the government as a big investment opportunity and laws have recently streamlined procedures, making the purchase procedure easy.
- Strong economic growth and increased investment in infrastructure are boosting the property investment market as a whole.
- Warm desert climate with temperatures ranging from 14°C in winter to 30°C in summer creating a year-round tourist season
- Increased inward investment, creating a rich investment climate
- Well renowned developers are creating luxury resorts to cater for Egypt's new influx of international tourists
- Easy air access from many European destinations makes Egypt an ever popular medium haul holiday location
- Low cost of living and maintenance costs
- English is widely spoken, after Arabic

Policy Support

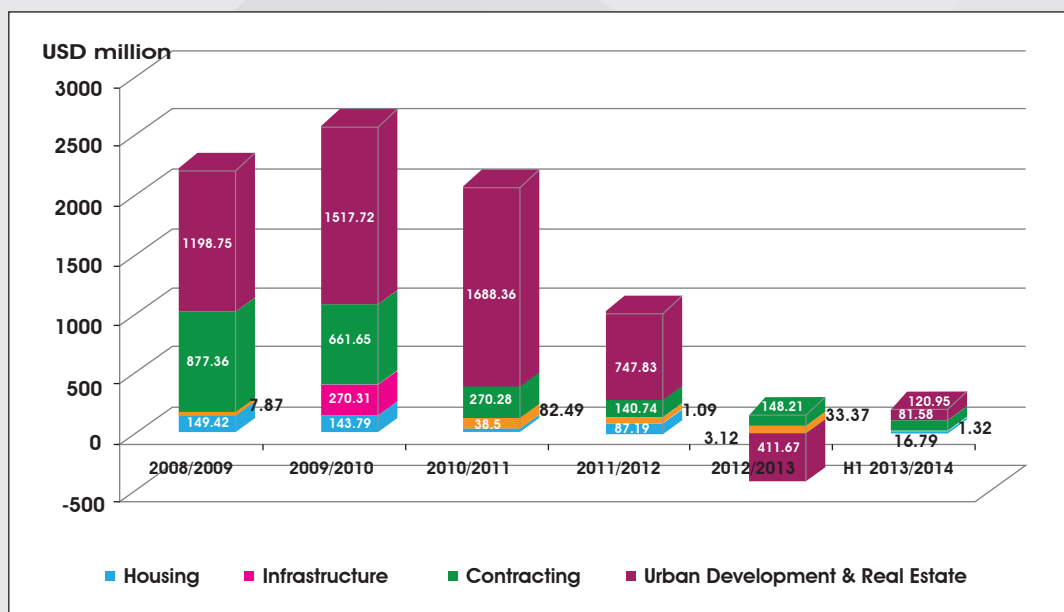
- The government of Egypt (GOE) has provided incentives for developers to construct new homes in two areas of Cairo in the East (6th of October), and the West (New Cairo). Each area is intended to accommodate 4 million people.
- The government plans to increase the number of new cities from 27 to 59 by the end of 2017, which supports a growing market demand and potential for large investments in this sector.
- The GOE has heavily promoted mortgages since 2005. As for real estate developers, the Egyptian Ministry of Housing has decided to revalue 110,200 m² of empty land that are part of the 966,000 m² allocated to Palm Hills Developments for a project in New Cairo.
- As part of the government's strategy to garner revenues of USD25 billion a year from the tourist industry by 2017, The Egyptian authorities have approached Chinese tourism agencies for support. In addition, the government has simplified visa requirements for citizens from a number of Central Asian and MENA countries, as well as China and Russia.

Statistics

The average price per m² in New Cairo has remained unchanged at around USD 1,780 for villas and USD 1,040 for apartments.

- The average rent for a three bedroom villa in New Cairo is currently USD 3,100 per month while two bedroom apartment rentals average almost USD 1,000 per month.
- Within 6th of October, the average price for villas is currently USD 1,246 and USD 916 per m² for apartments.
- For 6th of October, the average rental for a three bedroom villa is around USD 2,800 per month while two bedroom apartments rent for around USD 850 per month.
- Average quoting rents for prime line stores in Regional and Super Regional malls in Greater Cairo have remained unchanged over the past quarter and currently range from USD 920 to USD 1,410 per m² per year. In certain circumstances, retailers may however achieve lower rates.

- In January 2014, the construction and real estate sector came in second place after the industry sector, concerning the number of new establishments with 81 companies entering the market and total issued capital of these establishments amounting to EGP 771.26 million, according to CAMPAS.
- As of February 2014, the construction industry consisted of 10744 companies operating inland with total investments of USD 22.62 billion, and 1 company operating in free zones areas with total investments of USD 0.2 million. (According to GAFI DB from 1970 till Feb 2014).
- The Urban Development & Real Estate took the first place From 2008/2009 till 2011/2012 among the other three commercial real estate sub-sectors (Housing, Infrastructure, and Contracting), while in 2012/2013 the investment in the Urban Development & Real Estate decreased due to the reduction of issued capital of 4 companies, as shown on the following figure.



International Success Stories

Hill International

Hill International is an American construction consulting firm. Founded in 1976, the company is currently headquartered in Marlton, New Jersey, United States.

In 2012, Engineering News-Record magazine ranked Hill as the 8th largest construction management firm-for-fee and the 10th largest program management firm in the U.S. Hill's claims and consulting services include claims analysis, litigation support, expert witness testimony, cost and damages assessment, delay and disruption analysis, lender/technical advisory and the Project Neutral. Hill has acquired a number of worldwide businesses during recent years as part of an expansion programme situated in U.S./Canada, Latin America, Europe, Middle East, North Africa and Asia/Pacific. The company was responsible for the construction of the Great Egyptian Museum in Giza Egypt and the famous Palm Jumeirah in Dubai.

Emaar

Emaar is a global property developer and provider of premier lifestyles and also the largest foreign direct investor in Egypt's real estate sector with an investment portfolio of EGP 43.3 billion (AED 29.27 billion, USD7.97 billion). Its most notable projects include:

1. **Marassi:** a Mediterranean-styled development close to Alexandria and a few miles away from the historic city of El Alamein along the magical shores of Sidi Abdul Rahman bay. It's a network of lagoon line townhouses and luxury resorts with up to 3,000 guest rooms, and a bustling community centre which fosters a thriving sense of community living.
2. **Mivida:** an upscale residential community, near the new campus of the American University in Cairo. Nestled within the fifth district of New Cairo City, this new development of around 5,000 luxury homes unfolds on nearly 3.8 million m² of gently rolling landscape.

Sodic

SODIC was incorporated in 1996 as a public joint stock real estate development company and is emerging as Egypt's fastest growing real estate development company. SODIC directly employs 1,965 people and indirectly employs another 6,985 on its projects which include:

1. **Beverly Hills:** was one of the first ever large scale residential compounds to be developed in Sheikh Zayed City, off the Cairo-Alexandria Desert Road. With over 1,800 villas and apartments, Beverly Hills has become a sought out address in west Cairo. As a result, property value in Beverly Hills has more than doubled in the past six to twelve months. Beverly Hills, SODIC's first venture, is a 1.75 million square meter mixed-use residential and commercial development that generated over EGP 1 billion in revenue for the company.
2. **Kattameya Plaza:** Located at the heart of New Cairo on 126 thousand m², this project marks a new standard in contemporary apartment living. Kattameya plaza is designed and planned by ArchGroup, the renowned firm that designed the Grosvenor House in Dubai and was landscaped by Greenscape. EGP 334 million was invested into this project.
3. **Allegria:** Located in Sheikh Zayed City, off the Cairo-Alexandria Desert Road on 24.3 million m². The master-plan for the project was designed by the notorious New York-based firm EDAW, which won an award of merit from the American Society of Landscape Architects (ASLA) for their work on Allegria. The project has also received two CNBC Arabian Property Awards in 2008, for Best Development and Best Golf Development in Egypt. The project is an investment of EGP 2.5 Billion.
4. **Eastown:** To the east of Cairo lies Eastown, the bustling town centre of New Cairo and Kattameya. Eastown comprises of 860,000 m² of land and has a built up area of 920,000 m². Upon completion, it will include 1,600 residential units, 1,000 'Class A' offices, 2,000 boutiques and retail outlets and up to five hotels.

National Success Stories

Saudi Egyptian Construction Company (SECON)

The Saudi Egyptian Construction Company (SECON) is an Egyptian joint stock company, established in 1975 as a result of an international agreement between Egypt and Saudi Arabia.

The company's USD 50 millions capital was paid equally by the Saudi Arabian and Egyptian governments to invest in real estate and construction in Egypt. Projects include residential and commercial buildings, utilities and services in Cairo, Alexandria, Mansoura and Assyout.

Projects:

Reliable timely data for SECON is not readily available and the company does not publish financial information regularly. However, the website lists five current projects, all described as 'integrated residential districts'; the gated communities it is building on the outskirts of Cairo. They are El-Amal Housing Project, Zahrat El-Obour Project, Zahrat Assyout Project, Fifth Compound Zahra Project and Lake Dream. The largest is the Fifth Compound of the Zahra Project. The company says the project is an important one, reflecting 'the state's efforts to expand the development of new urban communities'. It consists of 288 villas and is under construction, with the first phase of 112 villas completed. The project value is reportedly some EGP400 million.

Egyptian Resorts Company (ERC)

ERC is a specialist developer of international-standard integrated resort communities, and is listed on the Egyptian Exchange. As of 2013, the company has one main project, a huge multi-use complex at Sahl Hasheesh. The company's success is derived from selling off small portions of land from its land bank with pre-determined use. Much of the land is designated for hospitality purposes. The company is focusing on investment in the infrastructure of its current venues and is reportedly preparing for a return to more usual levels of occupancy. This preparation includes opening offices in Moscow, Qatar, Dubai, Bahrain and Saudi Arabia, to generate foreign interest in the Egyptian projects. Its major project, Sahl Hasheesh, is an enormous area including office parks, schools, hospitals and all manner of tourism related properties. The first phase is fully sold already and the second is under way.

Talaat Moustafa Group (TMG) Holding

TMG Holding (the holding company for the Talaat Moustafa Group) was founded in the early 1960s by the Moustafa family. It is by far the largest listed developer in the country and can be found on the Egyptian exchange.

The company aims to serve the needs of the upper and middle classes through a wide range of residential designs, flexible phasing of development, provision of alternative financing schemes. TMG Holding have also been heavily influential in pioneering the development and construction of luxury hotels and associated tourism infrastructure.

Projects:

1. **Madinaty:** is the largest purpose-built city in Egypt and will ultimately have 600,000 residents and will be more than 16.6 million m². Development began in 2006 and is expected to be completed in 2026. The new city will include 15 schools, a university, eight hotels and associated commercial developments, office parks and a hospital.
2. **Al Rehab II:** An extension to TMG's flagship Al Rehab I project, which was opened at the end of 1996. The BUA to be developed amounts to over 2.5 million m². On completion in 2017, it will be home to 80,000 residents. The project includes four schools, seven mosques, a church, an office park and two shopping malls. Al Rehab I has nearly completely sold.
3. **Nassamī Al-Riyadh:** Located in Saudi Arabia's capital, this project is 50% owned by TMG. The BUA to be developed amounts to 1.2 million m². The project includes a medical centre, a shopping mall, mosques and a sports club.

What Maher Milad Iskander (MMI) law firm Can Do For You:

With over 25 years of experience Maher Milad Iskander & Co. can assist in the following areas:

- Reviewing agreements & contracts, participating in negotiations, providing pre-contract advices and drafting of all kinds of real estate contracts.
- Preparation of documents and relevant paper work for the registration of property.
- Handling all stages of the transfer of property, from contract signing to the handing over of keys.
- Dispute resolution, representing clients in courts of all levels if a dispute arises regarding your property.
- Staying updated with any changes in the law (nationally and internationally) related to real estate and informing clients of any changes which may affect their property.
- Providing advice on development, planning and construction of real estate projects, including methods of financing.
- Handling investment fund formation, structuring and joint ventures, and real estate mergers and acquisitions transactions.



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