

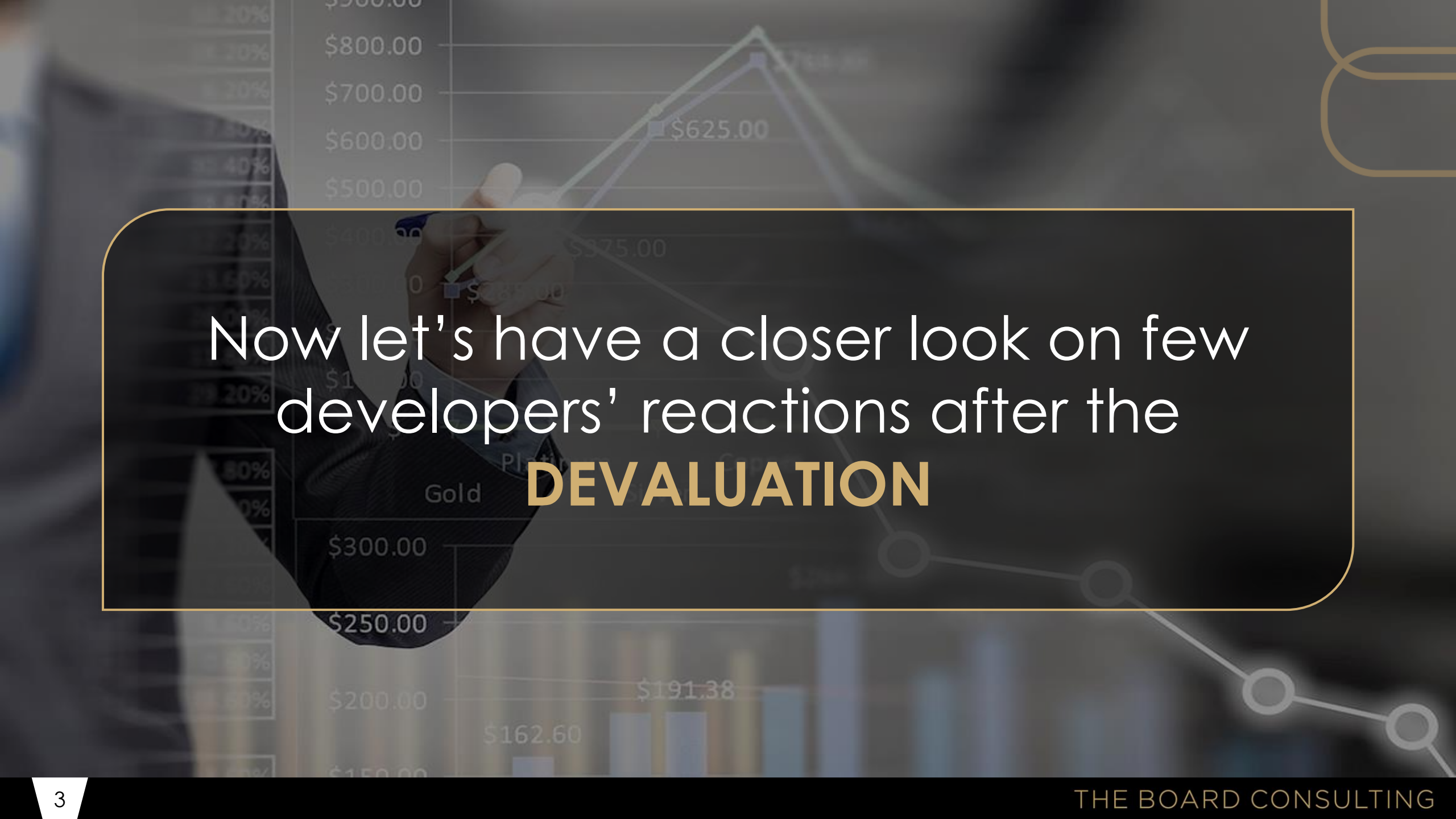
REAL ESTATE OVERVIEW FOR Q1 2022

Q1 OF 2022 HAVE STARTED IN CONSIDERABLY LOW-KEY SALES BY MOST OF DEVELOPERS.

PUTTING IN MIND THE GLOBAL ECONOMY STAGFLATION, THE **RUSSIAN WAR**, AND THE GLOBAL SUPPLY CHAIN CRISIS AND THE RAW MATERIALS **PRICE INCREASE**, FOLLOWED BY THE LOCAL **DEVALUATION**, THE SECTOR CEOS AND CFOS ARE IN CRISIS MANAGEMENT MODE, TRYING TO UNDERTAKE THE CORRECT PRICE INCREASE TACTICS TO SAFEGUARD A MINIMUM ACCEPTABLE PROFITABILITY INDEX.

DURING THE LAST TWO WEEKS CUSTOMERS GOT IN A PANIC PURCHASE MODE AND HAVE DIRECTED THEIR INVESTMENT TO REAL ESTATE TRYING TO CLOSE THE DEALS BEFORE PRICE INCREASES GET ACTUALIZED.

“MANY DEVELOPERS DOUBLED THE TOTAL SALES OF Q1 ONLY IN THE LAST 10 DAYS OF MARCH”



Now let's have a closer look on few developers' reactions after the **DEVALUATION**

REAL-ESTATE DEVELOPERS REACTIONS TOWARDS THE DEVALUATION

| DEVELOPER | REACTION | PROJECT | DATE |
|-------------------------|---|---------------------------------|-----------------|
| NEW GIZA DEVELOPMENTS | Price increase by 16% | SEASHELL PLAYA | Effective March |
| | Reducing installments by 1 year OR Increasing down payment by 10% | NEWGIZA | |
| LMD | Price increase by 5% | ONE NINETY | Effective March |
| MOUNTAIN VIEW | Price increase by 5% | RESIDENTIAL PROJECTS | Effective March |
| | Price increase from 7% up to 15% | HEARTWORK | |
| PALM HILLS | Price increase from 5% to 10% based on residential or commercial projects | ALL PROJECTS | Effective March |
| AL AHLY SABBOUR | Price increase by 10% for multiple family units | MOSTAKBAL CITY PROJECTS & KEEVA | Effective March |
| | Price increase by 5% for single family units | | |
| SODIC | Closed off plan inventory & no increase over RTD inventory | ALL PROJECTS | Effective March |
| EMAAR | Price increase by 7%” | ALL PROJECTS | Effective March |
| ORASCOM | Price increase by 10% | OWEST | Effective March |
| HASSAN ALLAM PROPERTIES | Price increase by 3% for apartments & 5% for villas | SWANLAKE RESIDENCES | Effective March |
| | Price increase by 3% | HAPTOWN “PARKVIEW PHASE” | |
| DORRA | Price increase by 10% | VILLAGE WEST | Effective March |
| | | ADDRESS EAST | Effective April |
| ORA | Closing the inventory & preparing for repricing | ZED EAST & WEST | Effective April |
| MISR ITALIA | Price increase by 5% | ALL PROJECTS | Effective April |
| | Price increase by 10% | IL BOSCO CITY “SILA PHASE” | Effective April |
| LA VISTA DEVELOPMENTS | Price increase up to 15% based on project & delivery dates | ALL PROJECTS | Effective April |
| PRE-DEVELOPMENTS | Price increase from 10% up to 18% based on project | ALL PROJECTS | Effective April |
| IMKAN MISR | Price increase by 3% | AL BUROUJ | Effective April |
| MARAKEZ | Price increase by 5% | ALL PROJECTS | Effective April |
| BADR EL DIN | Price increase by 7% | KAYAN | Effective April |

SNAPSHOT OF PREVIOUS NEWSLETTERS BY THE BOARD CONSULTING

IN JANUARY 2021 NEWSLETTER THE BOARD CONSULTING HAVE PREDICTED THE POTENTIAL INSTABILITY TO HAPPEN DUE TO **GLOBAL ECONOMY CHANGES**.

WE ARE MONITORING **DAY BY DAY** THE PRICE CHANGES TO ENABLE OUR PARTNERS IN SUCCESS MAKE THE RIGHT BUSINESS TACTICS.

Market Insights March 2022

موجة الغلاء تضرب العقارات.. زيادة الأسعار
بعد ارتفاع مواد البناء.. وخبراء يقدمون حلولاً

9-3-2022 | 16:26

REAL ESTATE EXPERTS CONFIRMED THAT THE REAL ESTATE SECTOR IN EGYPT WILL BE DIRECTLY AFFECTED BY RUSSIA'S INVASION OF UKRAINE, EXPLAINING THAT THE INCREASE WILL EXCEED **20%** AS A RESULT OF THE RISE IN THE PRICES OF IRON, OILS, CEMENT, BRICKS, WOOD AND OTHER CONSTRUCTION MATERIALS.

THE PRICES OF THE REAL ESTATE MARKET ARE EXPECTED TO INCREASE AROUND 30%

This is Due To The Dramatic Increase Of Construction Material Costs: This Is Partially Attributed To The Ongoing Ukraine War, As Ukraine & Russia Are Both Major Exporters Of Construction Materials



REAL ESTATE IN 2022

The **impact** of the **global financial** situation on the **Egyptian economy** and hence the **Real Estate** will be a **factor of anticipation** among CEOs and CFOs of the sector.

Historically, **inflation and interest rate increase in USA** creates a direct ripple effect on emerging economies.



THANK YOU



THE BOARD CONSULTING
Actualizing Opportunities