

# ***Hotspot Guide***

*Egypt*

***A Sample of what's on Offer***

*Hot Spot*

***Introduction***



## Why Invest in Egypt?

From its improbable pyramids and treasures, Tutankhamun's tomb to the spectacular coast, Egypt features on most people's must visit list. Yet while it attracts its fair share of tourists, it's not as well-known for its property investment opportunities.

According to the World Trade Organisation (WTO), tourism will continue to grow at 6% a year.

The Red Sea Riviera is also a property hotspot, especially the coastline near Hurghada and carrying on south to Marsa Alam. These have advantages over Sharm-El-Sheikh, offering more amenities, access to other destinations within Egypt and freehold property ownership (Sharm el-Sheikh properties are sold only with 99-year leases)

The mediterranean coast known as cote d'azur of the future



### Fast Facts:

- **Location:** Egypt is found in North Africa and partly in southwestern Asia. Egypt borders the Mediterranean Sea to the north, the Gaza Strip and Israel to the northeast, the Red Sea to the east, Sudan to the south and Libya to the west.
- **Capital City:** CAIRO
- **Climate:** Egypt does not receive much rainfall except in the winter months. South of Cairo, rainfall averages only around 2 to 5 mm per year.
- **Average Temperature:** **In summer:** Between 80 °F (27 °C) and 90 °F (32 °C) and up to 109 °F (43 °C) on the Red Sea coast. **In winter:** Temperatures average between 55 °F (13 C) and 70°F (21 °C) in winter.
- **Official Language:** Arabic
- **Total Population:** 80 million
- **Population Density:** 1.72%
- **Major Religion:** 80 – 90% of the population are muslims. Most of the non-Muslims in Egypt are [Christians](#) comprising of 10 – 20% of the population
- **Currency:** 1 Egyptian pound=100 Piasters
- **GDP:** 1.55%
- **GNI per capita:** 3940 PPP\$
- **Inflation:** 9.50%
- **Annual Growth:** 7.1%
- **Main Exports:** Crude Oil, Cotton, Fruit and Vegetables, Rice, Textiles.
- **Main Sources of Income:** Tourism, Suez canal, Taxes ,Foreign currency
- **Unemployment:** 10.1%
- **Population Below Poverty Line:** 20%
- **Literacy:** 71.4%
- **Life Expectancy:** At birth: Male: 60.39Female: 64.49
- **Time Zone:** EET (GMT +2:00)
- **Internet Domain:** .eg
- **International Dialling Code:** +20





## Geography

- Egypt is predominantly desert. An area of only 35,000 square kilometers - 3.5 % of the total land area - is cultivated and permanently settled.
- Most of the country lies within the wide band of desert that stretches from Africa's Atlantic Coast across the continent and into southwest Asia.
- Egypt's geological history has produced four major physical regions:
  1. The Nile Valley and Delta,
  2. The Western Desert (also known as the Libyan Desert),
  3. The Eastern Desert (also known as the Arabian Desert),
  4. The Sinai Peninsula.



## Economy

- Egypt now has a positive growth
- Today Egypt's industry includes in addition to dominant textile industry, production of cement ,iron and steel, chemicals ,fertilizers.

## Politics

- **The President** is Husni Mubarak
- **Prime minister** is Atef Abied
- 31 ministers, heading each ministry, while the prime minister also heads the Ministry of Planning and International Co-operation.



## A Brief Guide to Purchasing Property in Egypt

- Foreigners in Egypt are entitled to the same rights as nationals and can own property and land in the country.

## Property Market

- The Egyptian property market never really got dragged into the sheer hype that was driving other more popular overseas property investment destinations such as Dubai or Bulgaria.
- It came onto the radar screens of global property investors much later, only really making headway since 2005.
- Today when we take a look at the current property market in Egypt there are quite a few good reasons as to why Egypt seems to be avoiding the dramatic crashes of the other property markets

## Fees and taxes

- **Capital Gains Tax**  
In Egypt there is no Capital Gains Tax levied on property.
- **Inheritance Tax**  
Inheritance Tax doesn't exist in Egypt.
- **Stamp Duty**  
There is no stamp duty in Egypt.
- **Tax from the sale of the property**  
When selling on a property in Egypt the seller must pay a tax of 2.5% on the sales price.
- **Property Rental Tax**  
All incomes earned from a property (rental or other) in Egypt must be detailed in a tax return, filed by 31st March each year. The following rates of taxation on rental income apply (per year)

## Hot spots

1. **Sharm El Sheikh:** renowned for world famous diving
2. **Hurghada:** a small fishing village and also a up- market tourist destination
3. **Cairo:** for the pyramids and sphinx and shopping centres

