

PRD nationwide

Morocco's Vision 2010 Program

A vibrant and exotic country that has attracted high profile real estate investors including Richard Branson, the Rolling Stones and Malcom Forbes, Morocco offers the convenience of southern Spain at significantly lower prices. In recent years, tourists and investors alike have begun to realise that Morocco has much to offer. It's welcoming people and natural beauty have helped to put Morocco at the forefront of the overseas property market over the past 10 months.

As well as the cultural cities of Marrakech, Casablanca, Fes and Tangiers, Morocco offers an abundance of pristine coastline along both the Atlantic and Mediterranean Sea which is attracting buyers looking for a quieter and more beach orientated way of life. Stunning vistas and golden sand beaches are being sensibly and responsibly developed with most resorts developers only permitted to build 3 story structures within the resort. This is in marked contrast to other 'package tour' casualties such as Sunny Beach Bulgaria and parts of the Spanish coastline.



In 1999, Prince Sidi Mohammed was declared King of Morocco. After his enthronement, the King revealed his ambitious development plans for the country. In 2001, the Moroccan government presented **Vision 2010** as Morocco's national tourism strategy. The main objectives were to attract five times as many visitors in 2010 as in 2002 and to create 600,000 new jobs in the tourist sector.

In conjunction with Vision 2010, the Moroccan government has also announced the ambitious Plan Azur. The key elements are:

The creation and development of 6 new generation state-of-the-art coastal resorts (5 on the Atlantic Coast and 1 on the Mediterranean Coast). Additionally:

- New Motorways to be built or upgraded
- New Regional Airports to be either built or upgraded
- Increase and de-regulate incoming flights from all over Europe with the introduction of an Open Skies policy

- New marinas and ports and high-speed trains to be implemented
- Investigate and possibly implement the construction of a tunnel linking Spain and Morocco under the Straits of Gibraltar.

It is widely predicted that the coastal property market in Morocco is set to boom. UK tourism has increased by some 18% between 2004 and 2005 alone.

The Plan Azur's six coastal resorts

1. **Mediterrania-Saidia** – This is the only Plan Azur resort on the Mediterranean coastline. Launched in mid 2005, prominent Spanish property developer Fadesa is integral to the construction of this €1.6 billion, 7,000,000 sqm real estate project, earmarked for completion in 2009. The real estate projects within Mediterrania-Saidia have been a phenomenal success with many selling out completely in record time. Fadesa has sold several plots within the development to private developers. Essential Morocco is currently marketing several excellent resort complexes within Mediterrania-Saidia on behalf of the Developers.
2. **Port Lixus** – Situated near Larache on the northern Atlantic coast, this Azur Plan resort is due to be launched in late 2006 and will include two 18-hole golf courses, a new marina, a sports & leisure complex, several hotels and luxurious apartments and villas. Salixus, a Belgian-Dutch consortium, is integral to the construction of this €1 billion, 4,620,000 sqm real estate project, earmarked for completion in 2011. Essential Morocco will begin marketing [Port Lixus properties](#) in the autumn of 2006 on behalf of the developer.
3. **Mazagan** – Situated near El Jadida on the Atlantic coast, south of Casablanca . This Azur Plan resort is due to be launched in late 2006 and will include a world class casino, two 18-hole golf courses, over 15 kilometres of beach and several hotels and luxury properties. The main consortium developer for this real estate project is Kerzner, an American/South African company with a long track record of high profile projects including Sun City in South Africa.
4. **Mogador Essaouira** – Also due to be launched in late 2006, this 5,700,000 sqm Plan Azur resort will include two 18-hole Gary Player golf courses, very luxurious properties and hotels. Situated within 3 kilometres of the mythical beach town of Essaouira , this resort is perfectly placed to become the premier beach destination for Marrakech holiday goers. Consortium leader for this project is a Belgian-Dutch consortium. Essential Morocco will begin marketing Mogador Essaouira properties in the autumn of 2006 or early 2007 on behalf of the developer.
5. **Taghazout** – A consortium comprising Colony Capital, an American real estate investment firm and a large Canary Islands based residential tourism company, has been awarded development rights to this \$2 billion tourism infrastructure project near Agadir on the southern Atlantic coast. Designed as a world class tourist destination, the development will include several four and five star hotels, two golf courses, and several residential, leisure and retail facilities. Phase 1 properties are due for completion in 2008.

6. **Plage Blanche** – not yet awarded or launched.



More background information on Vision 2010 and the Plan Azur

Morocco's Vision 2010 is the country's tourism development plan initiated in 2001. Vision 2010 was translated into a framework agreement between the government and the country's leading sector players, with a set of key objectives, including increasing the number of visitors by 15% each year to reach 10 million visitors by 2010, adding 160,000 new beds, creating 600,000 new jobs in the sector and increasing tourism revenues fourfold.

Yet Vision 2010 means even more. It is also a powerful tool to kick-start development by upgrading the country's infrastructure, boosting investment, employment, income distribution and education levels within the population.

The **Plan Azur** is a key component of this endeavor. It provides for six new generation coastal resorts, meant to realize the kingdom's obvious beach tourism potential, while firmly positioning Morocco as a destination combining world-class holidays with cultural, fitness and eco-tourism, for an "intelligent seaside tourism" offer. The locations of the six new resorts were chosen to balance the country's development, long focused on the Casablanca – Rabat axis. The sites are located in regions that present outstanding tourism potential, yet suffer from underdevelopment.

Each resort project is based on a savvy mix of tourist activities such as golf and spa, hotels, tourism residences and real estate, to attract investors across the board, from accommodation, catering and entertainment professionals to individual clients and retirees looking for a second or alternative home under the sun.

The signature of an Open Skies agreement with the EU in December 2005 will foster further growth in passenger air transport, with a view to reaching some 1400 weekly connections, up from only 600 in late 2005, as well as boosting the proportion of direct flights to the country's holiday resort destinations from 40 to 60%, according to Morocco's transport minister.

The conclusion in May 2006 of a new five-year deal with Europe's leading low-cost airline, Ryanair, was seen as a key indication of the sector's renewed interest in the Moroccan market.

The chairman of Emaar properties, Mohammad Ali Al Abbar, has this to say about Morocco : "It has distinctive natural beauty, from rocky coast to snow-capped mountains, and a climate conducive to year round outdoor living and leisure. As a destination and a place to live it is increasingly sought after."

Key Reasons why investment in Morocco makes excellent sense:

- Property prices 50% less than other European resorts
- Low cost of living - experience a luxury lifestyle at little expense
- Emerging market: Booming property market has captured the attention of savvy investors
- Between 0% and 20% tax on any capital gains
- 0% Inheritance tax to family
- No annual property tax for first 5 years
- 70% mortgages available; mortgage market set to transform as more projects come to completion.
- Azur Plan, backed by King Mohammed and the UAE. The six new coastal resorts and associated infrastructure being implemented are planned to contribute to an increase in tourism to 10m visitors by 2010.
- Open Skies policy is ushering in low-cost European carriers. EasyJet & Thomsonfly & Ryan Air first to announce new Moroccan routes in early 2006.
- Increased tourism generated by the Azur Plan projects will create huge requirement for rental accommodation

Growth: Expect excellent capital growth for early investors & guaranteed rental incomes on some resorts

Safe investment – Notary supervised property registration similar to France & Spain ; free hold readily available.