

## **EGP 35 billion forecast revenues from partnership between El Mostakbal for Urban Development and Al Ahly Sabbour to develop 2.4 million m<sup>2</sup> in Mostakbal City**

**Cairo, August 2, 2017-** Today during a joint press conference, El Mostakbal for Urban Development, the master developer of Mostakbal City, and Al Ahly Sabbour, announced the details of the new partnership agreement between both parties, according to which Al Ahly Sabbour will develop a mixed use urban community in Mostakbal City, on an area of 578 acres or the equivalent of 2.4 million m<sup>2</sup>. The projected revenues of the mega project will amount to approximately LE 35 billion.

"We are very pleased with this new partnership agreement with Al Ahly Sabbour, one of the leading real estate developers in the local market" said Eng. Essam Nasif, the Chairman and Managing Director of El Mostakbal for Urban Development. "As the master developer of Mostakbal City, we have a strong selection process in place for developers, based on a number of technical and financial criteria, who are willing to partner with us in developing the city." He adds that "El Mostakbal is flexible in the methods of land allocation to developers using different tools such as biddings, direct allocation or partnerships. This is a necessary part of our process to ensure that we select the developer with strong credentials in terms of resources, capabilities and expertise ". Worth mentioning is that the project will offer 15000 job opportunities in different fields, while simultaneously ensuring recurring revenues to be derived from the establishment of joint shareholding companies between Al Ahly and El Mostakbal, with the objective of providing service and entertainment facilities as per the contract.

Al Ahly Sabbour has a long proven track record in the market as a leading real estate developer. . Over the course of 30 years they have successfully developed 57 major projects in diverse fields including Residential, Retail, office buildings, Touristic, Social and Sports Clubs in prime areas in Egypt on over 12 million square meters. The accumulated and unique expertise, vision and capabilities of Al Ahly Sabbour will ensure the successful implementation of El Mostakbals vision.

Already Al Ahly Sabbour have three gated communities in El Mostakbal City and this latest project represents the fourth. "Our partnership is based on trust and mutual benefit and the most successful partnership is one which provides synergy, meaning there is an added value" said Eng. Ahmed Sabbour- the Managing Director of Al Ahly Sabbour continuing to state that Al Ahly Sabbour has had a positive experience in its working relationship with El Mostakbal, a company he sees as being driven by a clear strategic vision and the expertise of its Management. To Sabbour all those elements have ensured the fast tracked development of El Mostakbal City and have cemented the reputation of El Mostakbal as a trusted and reliable partner.

Speaking about the agreement, Ahmed Sabbour said: " For us this agreement represents the first stepping stone, for Al Ahly Sabbour, towards implementing our new strategic direction." He explains "that this project represents the largest project that Al Ahly Sabbour has undertaken". The project will be built on 4 phases over an area of 2.4 million square meters, or 578 acres, and the first phase will be launched in the first half of 2018. Sabbour adds that their ability to fulfill this strategic vision has been made possible through the partnership with El Mostakbal explaining that the partnership provides Al Ahly Sabbour " with financial flexibility since the cost of land , which represents a large burden for the developer , has been removed thereby allowing us to focus on developing a larger area'

Speaking about the significance of this agreement to the Industry Eng. Hussein Sabbour- the Chairman of the Board of Al Ahly Sabbour applauded El Mostakbal's initiative for introducing innovative solutions to the local real estate market. "As a master developer, El Mostakbal for Urban Development carries out contractual procedures, partnerships, coordination with different developers, in order to achieve the vision of creating integrated urban communities. A master developer plays a vital part of a community's growth, determining its appearance, the mix of its land usage, and its infrastructure,

including roads, drainage systems, water, sewerage, and public utilities." Sabbour also emphasized that there are a number of benefits for any real estate developer who cooperates with a master planner. In general, for developers working with a well established master developer has a number of inherent benefits according to Sabbour " the most crucial being the integrated approach taken by the master developer requiring that all diverse components of the project are integrated seamlessly to create a mixed use, full-fledged community"

Commenting on this Eng. Essam points out that El Mostakbal aims to cooperate with real estate developers in different sectors (residential- educational-health-commercial-retail-entertainment-hospitality-sports and club) to take part in the development of Mostakbal City. The cooperation with those developers requires different interfaces, as a flexible approach to address various needs and requirements of Mostakbal City. "the partnership with Al Ahly Sabbour is a perfect example on how we can cooperate with other developers. Our partnership is governed by strict rules, specified technical criteria, and very detailed construction specifications, to guarantee works go smoothly for both sides"

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**About El Mostakbal for Urban Development:**

Established in 2006, El Mostakbal for Urban Development is a Egyptian Shareholding company owned by a consortium of Public and Private shareholders – each armed with a proven track record in investing and real estate development. A pioneering developer of integrated master-planned communities, El Mostakbal is specialized in the area of urban and real estate development . As a company it brings its resources in planning, development, finance and public-private partnerships allowing it to create a detailed development plan to facilitate and implement projects. El Mostakbal is the master developer of “Mostakbal City” located in new Cairo and spanning spans an area of about 11,000 acres with a longterm development plan set to take place over 5 phases. For more information, please visit <http://mostakbal-re.com/>

**About Al Ahly Sabbour**

Al Ahly Sabbour is an Egyptian Joint Stock company established in 1994. A leader in the real estate market Al Ahly Sabbour provides innovative building solutions that address the evolving needs of people and societies. Since its inception Al Ahly Sabbour has established 12 companies under their management offering a diversified portfolio to best meet these needs: Headquartered in New Cairo Egypt : In 2016, the Group achieved net sales of EGP 2.6 Billion. Al Ahly Sabbour employ approximately 320 full time people. Since their establishment Al Ahly Sabbour has successfully completed 57 projects in diverse fields including Residential, Retail, office buildings, Touristic, Social and Sports Clubs in prime areas in Egypt on over 12 million square meters. For more information, please visit <http://www.alahly.com/>

**About El Mostakbal City**

Mostakbal City is the flagship master development of El Mostakbal for Urban Development. Mostakbal City is located in the eastern extension of New Cairo and spans over an area of 11,000 acres, the equivalent of 45 million square meters. The project is situated in a prime location on Cairo-Suez Road between km 46.5 and km 51 eastern Cairo. The city is a central hub connecting Cairo with new urban communities and major cities located east and northeast Cairo, including Madinaty, and the New Capital. The project includes 5 phases and comprises 6000 acres of residential communities, 2500 acres for roads and green spaces, and 2500 acres for service area (health-educational-commercial-administrative-entertainment and sporting clubs). For more information, please visit <http://mostakbal-re.com/mostakbal-city/about-mostakbal-city/>

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