

Seqoon Raises \$500K in Pre-Seed to Bring Real Estate Co-ownership to Egypt

The first of its kind in Egypt and MENA, Seqoon offers a new take on real estate ownership by empowering people to own shares of a vacation home (from 1/8th to 1/2) while enjoying the full perks of real estate.

Seqoon raised \$500K in a pre-seed round, backed by one of Egypt's largest and most iconic financial institutions, Banque Misr, through the bank's pilot program to support innovative startups in Egypt. The program aims to support financial technology (FinTech) startups by providing subject matter sponsors from within Banque Misr, in addition to providing international subject matter experts for guidance and mentorship in the upcoming accelerated ventures. The round saw participation from several notable angel investors as well. Seqoon is using this capital to grow its team and has now launched in ElGouna as its first co-ownership destination.

While the real estate market represents 10.3% of Egypt's GDP as of 2020, the average increase in the price of homes in Egyptian vacation hotspots is 15%, making vacation home buying less accessible year after year, with 63% of home buyers discouraged after discovering the property price. Moreover, owned vacation homes are left unoccupied 90% of the year. These insights encouraged Omar Eldessouky and Mohamed Elkhatieb, both engineering graduates, to build MENA's first co-ownership platform.

"With the global markets heading towards an economic downturn, we all need to rethink our choices. Seqoon aims to disrupt the traditional real estate market in MENA through co-ownership, providing the choice of luxury living but in a smarter and more sustainable way. We believe this is the modern way to own your dream vacation home." Seqoon's CEO, Omar Eldessouky, stated.

Eldessouky further added that many of Seqoon's users are looking for co-ownership to also be able to invest in the region's most value-appreciating properties at smaller ticket sizes.

Co-ownership is a model that makes luxury living more accessible and helps everyone make sustainable decisions. Anyone can now simply co-own a vacation home for the price of a share of their choosing through an LLC created for the vacation home for the group of co-owners (from 2 up to 8). Once the LLC is created, the house is completely theirs to enjoy whenever they want or eventually resell, all while Seqoon manages the property year-round, taking care of property rentals, maintenance, and utilities. Co-ownership is designed to bypass the issue of the

ever-rising real estate prices in Egypt, making the dream of investing in and experiencing a second home accessible to millennials and beyond.

Seqoon's Advisor, Scott Bond - UAE Propertyfinder Country Manager and Ex-Senior Director at Zillow- added that "the dream of owning a vacation home becomes easier as a result of the Seqoon platform, and the team is working hard to create a best-in-class experience for consumers. Seqoon creates access and opportunity, where full ownership may not be an option for some."

Seqoon's main innovations to make co-ownership feasible are its legal model powered by two of the top law firms in Egypt, Zaki Hashem & Partners, and Shehata & Partners, and providing its unique, easy-to-use scheduling system that allows co-owners to book stays from two days to two years in advance.

Seqoon intends to expand into other Red Sea destinations, such as Dahab, as well as the Mediterranean North Coast by 2023.

References:

[https://www.savills.com.eg/pdf/savills-egypt-property-report-2021---en-\(1\).pdf](https://www.savills.com.eg/pdf/savills-egypt-property-report-2021---en-(1).pdf)

<https://invest-gate.me/features/summer-homes-appeals-egyptian-and-foreign-investments/>

<https://headway-egypt.com/why-now-is-the-best-time-to-invest-in-real-estate-in-egypt/>

<https://invest-gate.me/features/vacation-homes-buy-or-rent/>