

Moroccan Investment Development Agency

Investment projects bank

Project Teaser

Construction of a Commercial Center in Fès



AMDI 2013

Document History

Document identification and management

Document code

PT-07

Version

0.1

Sector

Commercial Real Estate

Update date

Update operation

Document manager

Nejma EL HOUDA BOUAMAMA

Overview

In order to ensure an effective promotion of investments in Morocco initiated by both local and foreign institutions, Invest in Morocco (the Moroccan Investment Promotion Agency) has created a projects/opportunities bank to facilitate the contacts between projects sponsors and their future partners.

Projects teasers will be also made available via Invest In Morocco's website and will help the prospective partners to get a global overview of the investment opportunity while ensuring the confidentiality required by the sponsor at initial stages.

If the prospective partner decides to go further in the opportunity analysis, he can ask Invest In Morocco to arrange him a meeting with the project sponsor.

In order to maximize the added value of the projects bank, the matchmaking process is not limited to strategic and financial partnerships but covers virtually all possible opportunities like commercial agreements, mergers & acquisitions, joint ventures, representation agreements...

We hope that this projects bank will help investors to develop strong relationships and enhance the value creation in all economic sectors.

Project presentation

	Summarized data
Opportunity/Project	Construction of a commercial center (Mall)
Industry/sector	Commercial real estate
Project size (in Million MAD)	374 Million MAD (about 42 Million USD)
Project components	Mall including shops, food court, a hypermarket and entertainment facilities
Opportunity localization (city/region)	Fes
Project Target Return (IRR)	10,8% over 12 years
Current project status (study/appraisal phase, initiation, operational)	Construction phase

Key project facts (perspectives, sector outlook...) :

- After a successful implementation in several Moroccan cities, the project sponsor is targeting the attractive malls and huge commercial centers market which is displaying an increasing demand for modern and integrated facilities. The city of Fes has been selected given its location in a dynamic region including several important cities (Meknes, Taza). The huge potential market is boosted by the absence of malls in all these cities and the existence of a highways and railways network allowing to reach the mall in less than 30 minutes ;
- The project is also attractive in terms of return with an IRR of about 11% ;
- The current project is expected to be fully operational in 2013. Its launch will enable the project sponsor to become the regional market leader and to seize an important demand in Fes, Meknes, Taza and their neighboring regions.

Project initiator/sponsor

	Summarized data
Main businesses/activities	Real estate, trade and tourism
Institution type (company, fund, holding...)	Group
Size (average revenues in MAD)	More than 5 Billion MAD (about 560 Million USD)
Origin of capital (Moroccan, Foreign, Mixed)	Moroccan

Key project sponsor facts (performances, positioning, expertise...) :

- The sponsor is a major distribution operator in Morocco and detains several international brands and franchises. Its cumulative investments during the last decade totaled several Billions dirhams and its development program remains still important with an increasing expansion through the Moroccan territory ;
- The business model of the sponsor relies mainly on synergies developed with strategic partners. The sponsor has designed and implemented several retail facilities expansions and franchises introduction based on the strong relations developed with international operators and these moves proved to be highly successful ;
- This project is carried out within the new development vision of the sponsor seeking a reinforced presence in the retail business while seeking more diversification by expanding to the dynamic and lucrative commercial real estate business.

Seeked partnership

Possible or sought partnership(s)

Summarized data	
X	Joint Venture
X	Sleeping Partner (minor share ownership without active management role)
	Joint SPV controlled by the external partner
	Shares acquisition
	Company acquisition or diversiture
	Others: Clients

Special conditions for the partnership

- **Qualified institutional investors**
- **The sponsor keeping business control**
- **The sponsor to be granted the priority in case of shares disposal (preemption)**

Next steps

- **Discussing the partnership conditions**
- **Finalizing contracts**

Expected partnership benefits:

- The projects will be completed in 2013 and will offer a brand new, modern design commercial mall well located at the heart of a dynamic region ;
- The availability of connections, the proximity to city center and the presence of many international franchises and brands will allow a regular flow of clients ;
- Finally, the future partner will benefit from a prestigious partnership network, the sponsor's strong expertise and understanding of the market in addition to a satisfactory performance track record and a strong financial situation.

**For next steps or more details about the current document,
please contact the Matchmaking Manager:**

Nejma EL HOUDA BOUAMAMA

Head of Department Management of Investment Projects
Invest in Morocco| Moroccan Investment Development Agency

Tel. : +212 5 37 22 64 84- Fax: +212 5 37 67 34 17 / 42

Email: bdp@invest.gov.ma - www.invest.gov.ma

32 rue Hounaine, angle rue Michlifén, Agdal, Rabat, Morocco.