



NORTHERN MOROCCO - TANGIER & FEZ

Here the temperature rarely drops below 18 degrees centigrade and compared to the hotter South of the country, averages a pleasant 28 degrees centigrade during the summer months. Glowing landscapes stretch from snow capped mountain ranges to green cedar-clad slopes, to fertile lowlands of lemon groves and vineyards to fine sandy beaches lapped by the Mediterranean or swept by the surf of the Atlantic.

On the North West tip of Morocco lies the exotic and vibrant city of **TANGIER**, Europe's 'gateway to Morocco' with regular, short hovercraft journeys connecting it to Mainland Spain and Gibraltar.

Along the **Mediterranean coastline** East of Tangier, working South from Sebta to Tetouan, new coastal developments are adding to many existing first class resorts.

By contrast the **Atlantic coastline** descending South from the West of Tangier, with its superb white sandy, virgin beaches, is currently largely bereft of development. With the nearby Tangier Airport currently being expanded to receive more flights and a new motorway already linking Tangier to Casablanca some 370kms South, a 30km coastal area between Tangier and Asilah is fast becoming an investors paradise with the building of high quality, luxurious holiday resorts (for example, the Paradise Golf and Beach Resort).

Inland, the ancient cultural and spiritual city of **FEZ**, surrounded by rolling hills with views to the Atlas mountains, is set to follow Marrakech as Morocco's next property hot spot (click on *Best Buys* at the top of this page). Here you will find the world's oldest and largest medieval Medina designated by UNESCO as a world monument in contrast to Ville Nouvelle, the most modern part of the city, where you will find beautiful boulevards with an abundance of flowers and water features flanked by modern shops, and restaurants. For the sports and leisure enthusiasts there is the established Royal Fez Golf Course, top quality sports and tennis centres, skiing only 45 minutes drive away and the thermal baths of Moulay Yacoub. To add to this there is to be QUED FEZ, an ambitious new project contained within a massive area of the centre of the city, where there will be a first class golf course, aquapark, exotic gardens and quality housing.

Some key advantages of purchasing a property in Northern Morocco are :-

- Property prices are currently approximately 50% less than on the Spanish Costas.
- A high level of capital appreciation on property, that is already beginning, is widely predicted.
- The low cost of living allows a luxurious lifestyle at little expense.
- Massive investment in infrastructure and commitment to Tourism under the Government's tourism strategy 'Vision 2010'. Areas in the North of Morocco that have previously been neglected and overlooked are now being transformed in to luxurious 5 star resorts.
- Ease of access - low cost, 3 hour flights planned in the future from UK Airports to Tangier under the 'Open Skies policy', an excellent existing short hovercraft service from Spain to Tangier and the construction of a tunnel under the Mediterranean linking the two countries.
- Morocco is now considered one of the most important emerging markets in the world, attracting massive foreign investment, especially from construction companies.
- The opportunity for high property rental income with occupancy in Northern Morocco as high as 85% in peak season.
- Tax incentives and low property taxes compared with Spain for example.
- On many new developments, purchasers are being offered favourable 'off plan' prices and payment terms with the opportunity to sell on their properties for a profit before completion.
- Low interest rate mortgages of up to 60-70% of the property value are usually available.

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THE PROCESS OF BUYING A PROPERTY IN MOROCCO

GENERAL

Buying property in Morocco requires qualified and reputable assistance. There are 4 key factors which must be carefully considered by the prospective buyer prior to consolidating a successful purchase:

- Real estate Brokerage
- Legal representation
- Location and amenities
- Quality of construction

LEGAL

It is important that you employ an English speaking lawyer to legally represent you and to provide assistance in all matters associated with your purchase.

FINANCES

It is necessary to allow approximately 5-6% of the purchase price to cover taxes (see **Taxation** below), legal representation and other expenses, which include Notary fees, land registration fees and water and electric contracts.

An example of stage payments

- Reservation of property 3,605 Euros (approx £2,400)
- Within about 4-6 weeks 30 to 40% of purchase price if a new property or 10% if a resale + fees
- On completion balance of purchase price and all remaining taxes and charges

Mortgages

- Mortgages are available using the Moroccan property as security.
- Qualified Independent Mortgage Brokers with experience in the purchase of property abroad can provide full advice on the range of financing schemes available. Please ask for our assistance.

Taxation

- On purchase: Stamp duty of 2.5% (& VAT, currently charged at 14%, if not paid by the developer)
- Annually: local rates, communal charges.
- On renting: no tax on rental income for the 1st 3 years of ownership.
- On death: no Inheritance tax for family members.
- On selling: Capital gains tax is charged at 20% of profit with a minimum of 3% of the sale price if the property is sold within 5 years. This reduces to 10% between 5 & 10 years and is 0% thereafter.

SELLING ON NEW-BUILD PROPERTY BEFORE COMPLETION

This can usually be done with payment of a small legal fee and any agreed agents fees.

The staff of Worldwide Properties Ltd will provide expert advice on all of the above matters