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HOUSING STUDY FOR URBAN EGYPT

FINAL

December 2, 2008

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HOUSING STUDY FOR URBAN EGYPT

FINAL

TECHNICAL ASSISTANCE FOR POLICY REFORM II

CONTRACT NUMBER: 263-C-00-05-00063-00

BEARINGPOINT, INC.

USAID/EGYPT POLICY AND PRIVATE SECTOR OFFICE

DECEMBER 2, 2008

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ACRONYMS

| | |
|----------------|---|
| CAPMAS | Central Agency for Public Mobilization and Statistics |
| EHS | Egypt Housing Survey |
| GC | Greater Cairo |
| GCHS | Greater Cairo Housing Survey |
| GOE | Government of Egypt |
| HH | Household |
| HHH | Head-of-Household |
| HIECS | Household Income, Expenditure, and Consumption Survey |
| LE | Egyptian Pound |
| MENA | Middle East and North Africa |
| MHUUD | Ministry of Housing, Utilities, and Urban Development |
| MOI | Ministry of Investment |
| M ² | Square Meter |
| NHP | National Housing Program |
| PSU | Primary Sampling Unit |
| SOW | Scope of Work |
| SPSS | Statistical Package for the Social Sciences |
| TAPR II | Technical Assistance for Policy Reform II |
| TOR | Terms of Reference |
| UE | Urban Egypt |
| UNDP | United Nations Development Programme |
| USAID | United States Agency for International Development |
| UUE | Urban Upper Egypt |

FOREWORD

BACKGROUND

In 2006, the Minister of Investment asked TAPR II to conduct a housing demand study to provide a comprehensive understanding of the characteristics and general profile of housing demand for Greater Cairo. The Greater Cairo Housing Survey (GCHS), conducted during December 2006 - January 2007, covered the urban areas of Greater Cairo including, the Governorate of Cairo, Giza City, and Shubra el Kheima City. It was a representative household sample survey of 9,082 households based on a detailed questionnaire which included sub-sets on buildings, household individuals, and those currently seeking housing.

The results of the GCHS survey has greatly improved the understanding of urban housing markets, housing demand, and housing issues, and can be considered the information cornerstone of current efforts at housing sector reform within the ministries of housing and investment, as well as the reference point for a wide range of institutions and researchers concerned with Egypt's housing sector.

However, the GCHS only covered about 43 percent of urban households in Egypt. Thus it is very difficult to generalize about the state of housing markets and dynamics for other towns and cities in Egypt or for the urban housing sector as a whole. Furthermore, the GCHS did not attempt to cover a considerable segment of the population which lives in areas which are classified as rural but which are for all intents urban in character and which are undergoing very rapid housing expansion. These emerging and peri-urban areas need to be investigated in any thorough analysis of housing issues.

In late-2007, MHUUD and MOI requested that TAPR II expand the recent GCHS to include a broader sample of urban areas across Egypt. With USAID approval, TAPR II enlisted, through competitive selection, the services of the firm El Zanaty and Associates to carry out the 2008 Egypt Housing Survey (EHS) with a sample of 23,460 households that would produce statistically representative results for the following discrete geographic areas:

1. Urban Greater Cairo (Governorate of Cairo and cities of Shubra el Kheima and Giza);
2. Alexandria Governorate;
3. Urban areas of Delta Governorates;
4. Urban areas of Upper Egyptian Governorates;
5. Urban areas of Canal Cities Governorates; and
6. Peri-urban areas around Greater Cairo (4 marakaz in Giza and 4 marakaz in Qaliubia).

To draft the 2008 EHS questionnaire, TAPR II started with the GCHS questionnaire and used feedback from the earlier GCHS to revise and improve its content. The EHS questionnaire was then submitted to peers and interested stakeholders for review in February 2008. The EHS data collection took place between late-March and end-June 2008. Like the GCHS, the 2008 EHS is the first survey of its kind during the last 30 years.

As requested by MHUUD and MOI, TAPR II will analyze the 2008 EHS housing data and produce seven region-specific reports. The list of reports will include:

1. Alexandria Governorate;
2. Urban areas of Upper Egypt Governorates;
3. Urban areas of Canal Cities Governorates;
4. Urban areas of Delta Governorates;
5. Urban Greater Cairo;
6. Peri-urban areas around Greater Cairo; and
7. All of Urban Egypt.

The urban Egypt report represents one of the seven reports listed above.

TAPR II HOUSING TEAM

The production of the above-mentioned reports and the related housing demand survey are the result of a combined team effort that was directed by Dr. Tham V. Truong, Task Manager, Reviewer and Technical Editor. The TAPR II housing team includes:

| | |
|---------------|--|
| David Sims | Senior Housing Specialist |
| Kamal Selim | Senior Statistician and Survey Advisor |
| Hazem Kamal | Junior Housing Specialist |
| Doris Solomon | Junior Statistician |

In addition to providing statistical guidance to housing specialists, Kamal Selim led the design of the survey and the selection of the survey firm. He oversaw the data collection and tabulation that were performed by the survey firm. He also drafted the survey methodology report and provided the guidelines for the formatting of the 2008 EHS data set that interested housing researchers could gain access to by contacting MHUUD.

In addition to the drafting team, other contributions were made as follows:

| | |
|-------------------|------------------|
| Shereen Abdelaaty | Stylistic Editor |
| Ghada Mahmoud | Translator |

El-Zanaty & Associates provided input that shaped the final format of the survey questionnaire and carried out all survey fieldwork between late-March 2008 and end-June 2008. The survey firm worked with CAPMAS to gain access to sampling data. It also performed the data tabulations that were needed by the TAPR II housing specialists to analyze the above-cited housing demand reports.

The TAPR II Housing Team received useful and continuous support from Sahar Tohamy at the Ministry of Housing and Sherif Arafat Oteifa and Nesma Mostafa Abas at the Ministry of Investment. Their contributions are very much appreciated.

The TAPR II Housing Team would also like to acknowledge the contribution of CAPMAS, who granted El-Zanaty access to the data of its master sample. Without the data from the CAPMAS master sample, TAPR II would not have been able to have the 2008 EHS executed and draft this factually rich report.

Finally, the TAPR II Housing Team would like to thank their colleagues and peers for their reviews of and comments and inputs to the TAPR II draft reports. These comments and inputs have greatly enhanced the quality of the analyses and presentations in these reports.

EXECUTIVE SUMMARY AND KEY FINDINGS

The Housing Study for urban Egypt uses survey data that were collected in May and June 2008 as part of the TAPR II EHS. The sample size for urban Egypt is 21,580 households. The sampled households live in 17,852 buildings. A summary of principal sample characteristics follows.

| Sample Summary | |
|-------------------------------------|--------|
| Number of PSUs | 1,079 |
| Number of Households | 21,580 |
| Number of Individuals | 88,506 |
| Number of Buildings | 17,852 |
| Number of Demanders | 1,735 |
| Number of Households with Demanders | 1,604 |

This report presents only the most direct and useful results of the Survey for urban Egypt due to time and resource constraints. Key findings regarding housing market behavior, expressed demand for housing units, occupied housing stock, building and neighborhood characteristics and household characteristics are summarized in this Executive Summary.

I. HOUSING MARKET BEHAVIOR

Residential Mobility

It is low as, on average, only 4 percent of households move every year, and 19 percent move within five years.¹ While such mobility rates are low when compared to those in western cities, they are significant considering that a huge portion of the housing stock is under rent control and is effectively locked out of the process of housing exchange.

Residential mobility is also localized as 80 percent of household heads who had lived in a previous residence had moved from within the same area or city.

Market Exchanges versus Non-Market Exchanges

Of the households who moved in 2003-08, 53 percent of housing units exchanged took place through the market while 47 percent of moves were not exchanged through market mechanisms.²

Of the units exchanged through the market, New Law Rental was the most frequent form of tenure (67 percent), followed by ownership by purchase in market (33 percent).

Moving households in 2003-08 were represented almost equally in each household income quintile, with a slight under representation of the lowest (poorest) quintile and a slight over representation of the highest (richest) quintile.

¹ Estimates are rounded to their closest units in the Executive Summary. More accurate one-decimal-estimates can be found in the main report.

² Market exchanges are defined to include new rents and ownership by purchase in the market. Non-market exchanges include: government rent, old rents, ownership by purchase from government, ownership by construction, and ownership by inheritance, gift and in kind privilege.

New Law Rental Markets

Survey data show that New Law Rental markets are becoming dominant:

- For those households who moved in 2003-08, New Rent systems accounted for 35 percent of all moves, and 67 percent of all moves which represented exchanges through housing markets; and
- For household members who had moved away from the surveyed households in 2003-08, over half concluded New Rent contracts in their new dwellings.

Housing Market Information

Information on housing markets is obtained mainly through informal/casual means.

Only 3 percent of the units which were exchanged in 2003-08 were found through newspapers and advertisements.

Market Distortions and Rent Control

Survey data show that rent control distorts the housing markets in urban Egypt, where 27 percent of surveyed households enjoy fixed rents under the Old Rent Law.

Not only do Old Law Rentals represent a portion of the housing stock effectively excluded from market exchanges, the rents being paid under the Old Rent Law have no relation to market prices as, according to the survey data:

- 61 percent of Old Renters pay only LE 50 or less per month while only one percent of New Renters pay this amount; and
- The median rent for Old Renters is LE 30 per month whereas the median rent for New Renters is roughly LE 200 per month – over six times the median Old Rent.

Characteristics of Informal Housing

About 41 percent of housing units surveyed in urban Egypt are considered by inhabitants to be located in informal neighborhoods. These inhabitants are slightly poorer on average.

Housing in informal areas is significantly cheaper to purchase than that of formal areas:

- 28 percent of the units purchased in 2003-08 were in informal areas;
- The median price of these purchased units was LE 40,000 in informal areas versus LE 80,000 in formal areas;
- The median housing area was 72 m² versus 95 m² in formal areas; and
- Rentals under the New Rent law were lower in informal areas than in formal areas as the median monthly rent was LE 200 in informal residential areas compared to LE 250 in formal residential areas.

Housing Rents and Rental Systems under New Rent Law

1,420 survey respondents acquired rental units in 2003-08 under the terms of the New Law (or 66 percent of all housing market transactions during that period). As a group, they display the following characteristics:

- 94 percent had written contracts and, of these, 96 percent of households had kept a copy of the contract;

- Only 15 percent of contracts were registered or endorsed at the Real Estate Registrar (*shahr el aqari*);
- 42 percent had a length of three years or less while 32 percent had a length of five years;
- Monthly rent values are clustered in the LE 150 to 300 range and 16 percent of rental contracts are each valued at over LE 300 per month; and
- New Law rents are burdens on households (especially poorer households) – as evidenced by rent-to-income ratios of 24 percent for 1st quintile and 15 percent for 5th quintile - but these ratios are well within international norms.

Housing Rents and Prices Compared to Perceived Values

All 21,580 surveyed respondents estimated the current market value of the units they inhabited:

- 20 percent of all units were valued at less than LE 30,000; 47 percent were valued at the range LE 30,001 to 75,000; and only 2.4 percent of all units were valued at above LE 300,000;
- The average market rent of their units were they to be rented under the New Rent Law was LE 350 per month and the median market rent LE 300 per month; and
- Actual rents under the Old Rent Law were only 18 percent of perceived market rents, whereas actual rents under the New Rent Law were 80 percent of perceived market rents.

Current Housing Providers

Of the housing units purchased over the last 5 years, 62 percent were purchased from the building owner/developer and 38 percent were purchased from the previous owner of the individual unit. Of the 62 percent, 24 percent of households purchased their units from the government or para-statal organizations.

Of all 1,420 rentals under the New Rent Law by surveyed households in 2003-08, 71 percent were rented from building owners and 29 percent were rented from owners of the units. Of the 71 percent, individuals or informal developers are overwhelmingly predominant, representing 97 percent of the total.

The following table summarizes key indicators related to urban Egypt's housing market behavior:

| Housing Market Behavior Summary | |
|---|-----------|
| Average Residential Mobility Per Year | 4% |
| Residential Mobility Over the Last 5 Years | 19% |
| Total Households Living in Informal Areas | 41% |
| Median Price of Purchased Units in Formal Areas (2003-08) | LE 80,000 |
| Median Price of Purchased Units in Informal Areas (2003-08) | LE 40,000 |
| Median Rent Under New Rent Law in Formal Areas | LE 250 |
| Median Rent Under New Rent Law in Informal Areas | LE 200 |
| Median Rental Period under New Rent Law (2003-08) | 5 years |
| Annual Rent to Income Ratio for New Rent Law (2003-08) | 20% |

| | |
|--|-----------|
| Purchase Price to Household Annual Income Ratio | 3.8 |
| % of Units Sold on Market (2003-08) | 53% |
| Units Purchased from Individuals/Informal Developers (2003-08) | 71% |
| Units Rented from Individuals/Informal Developers (2003-08) | 97% |
| Actual Rent of Old Law Units versus Perceived Value | 18% |
| Actual Rent of New Law Units versus Perceived Value | 80% |
| Median Perceived Value of Occupied Units | LE 60,000 |

Regional Comparisons in Housing Market Behavior

New Rent Law tenure is currently the dominant form of tenure in all regions. That dominance is particularly pronounced in Greater Cairo and the urban Delta. Old Law Rents represent a very small proportion of tenure forms in most regions, but are significant in the two large metropolises, Greater Cairo and Alexandria.

Residential mobility in the last five years is roughly the same in all regions, but is slightly higher in the Canal Zone and slightly lower in the Delta and Upper Egypt. The "localness" of mobility is high in all regions.

The portion of units which were exchanged on the market in the last five years are similar throughout the five regions, but are highest, as expected, in the two large metropolises.

Word-of-mouth dominates in all regions as a method of market exchange (averaging 81 percent nationally). However, it seems that Greater Cairo has a higher incidence of more sophisticated methods (real estate agents and media), as do the Canal cities.

For housing purchases in informal areas in the last five years, there is a remarkable similarity across all regions. In all regions, informal median unit prices are much lower than formal prices (usually half formal unit prices), the median size of units is much smaller (averaging 75 percent that of formal units), and the median m² prices are significantly lower (averaging 13 percent that of formal units).

Median price to income ratios for housing unit purchases are similar across regions, with Greater Cairo being slightly higher. Purchases by cash (versus by installment) form a majority of all unit purchases in all regions except in the Canal cities, where government housing purchases by installment dominate housing supply. Interestingly, Alexandria registers second highest incidence of payment by installment at 43 percent of total purchases.

Of units purchased from building owners, the percentage of units purchased from government agencies is small in all regions (varying from 2 percent to 16 percent) except in the Canal cities. Moreover, the percentage of units purchased from the corporate private sector is extremely small throughout urban Egypt.

II. EXPRESSED DEMAND FOR HOUSING UNITS

The 2008 Survey has identified only 1,735 demanders out of 59,884 persons (the number of members of all the households sampled). Due to the small size of demanders, readers should be cautious in generalizing the findings and conclusions listed below.

Magnitude of Expressed Demand and its Determinants

3 percent of all individuals living in urban Egypt are actively seeking housing units. These individuals are found in 7 percent of all households in urban Egypt.

Identified demanders cited the following reasons for seeking a housing unit: to be able to get married (46 percent); present unit is too small (16 percent); nuclear family wants to live independently (10 percent); changing tenure status to ownership (9 percent); changing tenure status to long lease (6 percent); and other reasons (12 percent).

Among all demanders, 32 percent have been searching for at least one year, 31 percent for at least two years, and 18 percent for at least three years. 14 percent had been searching for five or more years.

Survey data indicate that expressed demand is highly concentrated in the highest (richest) two quintiles.

Socio-Economic Characteristics of Housing Demanders

98 percent of demanders interviewed are males. 51 percent of demanders are single and 48 percent are married.

55 percent of demanders are individuals other than heads of households.

84 percent of demanders are currently employed with 41 percent reporting monthly incomes of below LE 600.

The majority of all demanders are aged in their twenties and thirties, with 43 percent being in their twenties.

Demand for Built Units versus Land

Only 4 percent of demanders are looking for serviced land to build upon, whereas all the rest are looking for apartments.

Of the demanders for apartments:

- 80 percent are looking for apartments in a building of less than five floors and 17 percent looking for units in building of five or more floors. Only 3 percent were looking for a villa or attached house; and
- 74 percent accept the idea of upgrading one's unit over time.

Demand by Location and Mobility

52 percent of demanders are mainly looking for units in the same neighborhood, and 26 percent are looking for units elsewhere in the same city. 16 percent are looking in another city within the same governorate, and only 6 percent are looking in another governorate.

30 percent of all demanders were looking for units in new urban communities.

The reasons for demanders to focus on certain areas are: reasonable prices (66 percent); proximity to relatives and friends (56 percent); proximity to work (53 percent); social standing of area (30 percent); availability of transportation (25 percent); availability of services and utilities (24 percent); quiet neighborhood (22 percent); availability of education services (8 percent); and availability of health services (7 percent).

Demands by Tenure Type

53 percent of apartment demanders wish to find units for long term lease, while 43 percent prefer ownership and 4 percent prefer short term rental.

74 percent of apartment demanders would accept renting the unit at the beginning and perhaps eventually owning it.

Financing and Financing Preferences

Among all demanders:

- 52 percent currently save to acquire a unit or land and the monthly amount being saved averages LE 200 per month (median). Only 24 percent are saving LE 300 or more per month;
- 13 percent state they themselves have personal property which they could sell to acquire a housing unit or land;
- Only 20 percent currently have financial dealings with banks and another 6 percent have had dealings in the past; and
- 29 percent would like to obtain a bank loan to finance acquisition of the unit.

Of the majority of demanders who do not like taking a loan, the following are the main reasons: fear unable to repay the loan (52 percent); reluctance to be indebted (43 percent); interest increases the installment payments (40 percent); and loan interest is sinful (22 percent).

Of demanders seeking to purchase units, 92 percent prefer installment payments over cash.

Preferences for and Knowledge of Government-Supported Housing Programs

Among all demanders:

- 53 percent are looking for government-provided housing, 30 percent are looking for housing on the private market, and the remaining 17 percent are looking for both types;
- 47 percent had heard about the NHP. Of those who had heard about it, 26 percent consider that the units offered by the NHP were suitable, 22 percent considered them unsuitable, and the majority (52 percent) did not know enough about the program offerings; and
- 37 percent had heard of the mortgage finance system and the mortgage companies. Of these, only 11 percent expressed a liking for mortgages, 41 percent rejected them, and 48 percent did not know enough about the terms.

Of those preferring government-provided housing, the most common reasons were the reasonable price (73 percent); government programs are more believable (38 percent); eligibility for a subsidy (36 percent); and appropriate installment period (34 percent).

Of those preferring private sector housing, the most common reasons were the better quality of private sector units (50 percent); better affordability of private sector units (43 percent); better locations near to work (40 percent); and suitability of house designs (25 percent).

Characteristics of Demanded Units

For all apartment demanders the preferred median size of the desired dwelling unit is about 80 m² and the average size is 89 m².

63 percent of apartment demanders seek finished apartments while 31 percent will take whatever they can find.

The following table summarizes key indicators related to expressed housing demand in urban Egypt:

| Expressed Housing Demand Summary | |
|--|-------------------|
| Main Reason for Seeking Housing Unit | Marriage (46%) |
| % of Single Demanders | 51% |
| % of Demanders Seeking Housing for 1 Year or Less | 32% |
| % of Demanders Seeking Housing for 2 Years | 31% |
| % of Demanders Seeking Housing for 5 Years or More | 14% |
| | |
| % of Demanders Employed | 84% |
| Demanders between the Age of 20-30 | 43% |
| | |
| Demand for Apartments versus Serviced Land | 96%, 4% |
| Demand for Units in New Communities | 30% |
| Demand for Purchased Units, Short-term Rental, Long-term Rental | 43%, 4%, 53% |
| | |
| % of Demanders who Currently Save for Housing | 52% |
| % of Demanders with Disposable Assets | 13% |
| % of Demanders with Access to Financial Institutions | 20% |
| % of Demanders who are Reluctant to Secure a Loan for Housing Purchase | 71% |
| % of Demanders who Prefer Installment Payments versus Cash Payment | 92%, 8% |
| | |
| Demanders Looking for Housing on Private Market | 30% |
| Demanders Looking for Housing through Government | 53% |
| Demanders Looking for Both Types (Gov and Private) | 17% |
| % of Demanders who Have Heard of the NHP | 47% |
| % of Demanders who Are Interested in Mortgage Finance | 11% |
| | |
| Median Size of Desired Apartment Units | 80 m ² |

Regional Variations in Expressed Demand For Housing

For most characteristics, similarities prevail across all regions. Listed below are selected deviations from national norms.

Greater Cairo has the highest incidence of demanders with 11 percent of surveyed households with at least one demander (compared to a national average of 7 percent). This is as would be expected for Egypt's largest city. Alexandria comes second in terms of percentage of individuals seeking housing and third in terms of percentage of households with at least one demander. For some unexplained reason Upper Egypt has a high percentage of households with at least one demander (7 percent).

Of demanders seeking land rather than built housing units, Alexandria stands out at 5 percent (compared to the national average of 4 percent).

Greater Cairo contains by far the highest incidence of demanders who are mainly seeking units in new towns (at 44 percent versus 30 percent nationally).

The Canal cities have, by far, the highest percentage of demanders who are seeking government-provided housing (at 83 percent versus 53 percent nationally). The Canal cities also have the highest percentage of demanders who prefer purchase over short or long term lease (62 percent of demanders versus 43 percent nationally).

Urban Upper Egypt has, due to its low average incomes, the lowest percentage of demanders who are saving for housing and also the lowest average amount which could be saved monthly for housing. However, urban Upper Egypt has the second highest percentage of demanders with assets which could be sold to finance housing acquisition (after the urban Delta which, like urban Upper Egypt, is located in a mainly rural region).

Greater Cairo has, as expected, the highest proportion of demanders who have dealings with financial institutions followed by the Canal cities. The Canal cities also have by far the highest percentage of demanders who are willing to borrow from banks to acquire housing.

Active search for housing is much more common among individuals in better off families. This direct link between individual demand and household income is strongest in Greater Cairo. The same relationship can also be found in all other regions, except in urban Upper Egypt, where there is no evident correlation between household income and individual housing demand.

III. OCCUPIED HOUSING STOCK

Housing Unit Types, Sizes, Number of Rooms

Of surveyed households, 85 percent live in an apartment of a walk-up building.

Of the surveyed housing stock:

- 44 percent have gross areas ranging from 65 to less than 90 m²;
- 19 percent have areas of 40 to less than 65 m²;
- 21 percent have areas of 90 to less than 120 m²; and
- The average number of rooms is found to increase slightly across quintiles (ranging from 3.2 to 3.7); while the average number of bedrooms is around 2 in all quintiles.

Housing Unit Amenities

93 percent of surveyed households have a private kitchen in their housing. 94 percent of surveyed households have access to private bathing and toilet facilities. 97 percent of surveyed households have access to running water.

92 percent of surveyed housing units have access to sewage lines.

Housing Unit Improvements

77 percent of surveyed households have made modifications in their housing units at some point since first occupying them.

Of surveyed households:

- 70 percent indicated they had no need to make modifications; and
- Remaining 30 percent identified the required renovations or improvements as mostly repairing or finishing, and improving utilities and services.

Expressed Housing Unit Satisfaction

91 percent of surveyed households are satisfied with their current housing.

The most commonly identified sources of dissatisfaction with housing are insufficient living area, internal utility problems and wall cracks.

The most frequently identified problems with neighborhoods are inappropriateness of neighborhood standards, noise, and overcrowding.

Housing Tenure Status and Security

Two main tenure types dominate the housing stock in urban Egypt: Ownership (44 percent) and Old Law Rent (27 percent).

Rental according to the New Law is still limited (9 percent) as are purchase/rent from government and in-kind privileges (6 and 2 percent respectively).

Ownership seems to be slightly more dominant for the 1st and 5th quintiles than for the other three quintiles. Rent-free acquisition (including gift, in-kind privilege, others) decreases with the increase of income.

Rental under the Old Law increases by income quintile. Rental under the New Law appears more suitable for the second to fourth quintiles.

49 percent of owners indicate that they have a final contract of their current housing registered at the Real Estate Registrar. 10 percent say they have sale contracts ruled valid and binding in court then registered at Real Estate Registrar.

The following table summarizes key indicators related to occupied housing stock for urban Egypt:

| Occupied Housing Stock Summary | |
|---|-------------------|
| % of Households Living in Apartments in Walk-up Building | 85% |
| Median Net Housing Size | 70 m ² |
| % of Households with Private Bathroom | 94% |
| % of Household who Renovated their Units in 2007 | 7% |
| % of Households Needing Home Repairs | 30% |
| % of Households who are Satisfied to Some Extent with their Housing | 91% |
| | |
| % of Old Law Rent Among Other Tenure Types | 27% |
| % of Ownership Among Other Tenure Types | 44% |

Regional Comparisons of Housing Stock Characteristics

In general, the main findings for urban Egypt repeat themselves throughout the regions. That is, the vast majority of households live in one apartment or more in a walk-up building. Most households live in housing units of less than 90 m². About one third of households expressed the need for home repairs. A significant percentage of

households characterized their neighborhood as informal. In spite of these moderate conditions of living, the vast majority of households are satisfied with their housing.

There are however deviations from the norm. Listed below are the most salient deviations.

Urban Upper Egypt has: the highest percentage of households living in rural houses; the lowest percentage of households with private kitchens; the lowest percentage of households with access to sewerage lines; and the highest average number of persons per room.

Urban Greater Cairo and Alexandria have: the highest percentages of households who express the most need for home repairs when compared to other regions; and the lowest percentage of households who are satisfied with their housing.

Also Greater Cairo and Alexandria are similar in the prevalence of Old Law rental as a tenure type within the housing stock. Conversely, ownership and gift-housing are the dominant tenure types in urban Delta as well as in urban Upper Egypt.

IV. BUILDING AND NEIGHBORHOOD CHARACTERISTICS

Building Characteristics

The dominant type of building is the small, multi-story apartment block. 88 percent of all housing units surveyed are apartments in buildings and only 8 percent are either villas or rural houses. The remainder is single rooms in buildings or apartments.

Of the 17,852 buildings surveyed:

- 81 percent are rated "adequate" regarding their general condition while 18 percent are deemed "partially adequate," and 1 percent "inadequate;" and
- The average age of buildings is 38 years. They average approximately 7 units, 4 floors and a total surface area of 132 m².

Neighborhood Characteristics

Survey data indicate that:

- The condition of residential streets in urban Egypt is not good, with 44 being unpaved and another 25 percent with poor pavement; and
- Only 31 percent are paved in good condition.

Characteristics of Unoccupied Units in Surveyed Buildings

4,289 vacant units (or 4 percent of total units) were enumerated in the 17,852 building surveyed. The following characteristics only apply to enumerated vacant units. They are not related to the universe of vacant units:

- 74 percent were owned, 15 percent were held under Old Rent contracts, only 4 percent were held under New Rent Contracts, and no furnished rental units or "gift" units were un-occupied;
- 94 percent were not offered for sale or rent, i.e. they were withheld from the market even though they were empty;
 - 39 percent of the vacant units withheld from the market were "empty and finished;"

- 30 percent were either not finished or half finished; and
- The average number of years units have been closed is 5 years.

The following table summarizes key indicators related to building and neighborhood characteristics of urban Egypt:

| Building and Neighborhood Characteristics Summary | |
|--|----------|
| % of Buildings Deemed Adequate | 81% |
| Average Age of Building | 38 years |
| Average Number of Housing Units per Building | 7 |
| Average Number of Floors per Building | 4 |
| % of Streets Paved | 31% |
| | |
| % of Vacant Units on Market | 6% |
| Average Number of Years Vacant Unit is Closed | 5 years |
| % of Vacant Units Owned versus Under Old Rent | 74%, 15% |

Regional Comparisons of Building and Neighborhood Characteristics

In general, the main findings for urban Egypt repeat themselves throughout the five selected regions. Buildings are predominantly small multi-story apartment blocks. Informal areas are found throughout the regions, as are narrow and unpaved streets. However, there are some significant variations from the norm.

The Canal Zone cities exhibit, for example, larger buildings, wider streets and fewer perceived informal neighborhoods than the national urban averages. On the other hand, the Upper Egyptian cities have smaller buildings, narrower streets and higher numbers of deemed adequate buildings than the norm.

Compared to Alexandria and urban Egypt, Greater Cairo has more newer buildings, more deemed-adequate buildings and more informal areas. Higher urban development pressures could be the source of these findings.

Compared to the urban Egypt averages, the Delta towns have, with no obvious explanations, the lowest percentage of deemed-adequate buildings, the oldest residential building stock and the highest proportion of buildings whose street width to building height ratio exceeds 1.5.

V. HOUSEHOLD CHARACTERISTICS

Generalities

The average household size is 4 persons.

Survey data regarding youth and marital status point to a potentially strong future demand for housing since:

- 66 percent of household members are under age 35; and
- 31 percent of individuals of marriageable age have never been married.

Household Finances, Expenditure and Savings

Survey data yield estimates of LE 3,555 for average per capita annual income and LE 14,578 for average annual household income.

Urban Egypt became poorer between 2004-05 and 2007-08.

81 percent of household income earned in urban Egypt comes from salaries and wages while 12 percent comes from non-agricultural businesses. Income from agricultural activities represents only two percent while remittances account for 3 percent.

Average annual per capita spending for surveyed households is estimated at LE 3,171 and the average annual household expenditure is estimated at LE 13,006. And, surveyed households save about 11 percent of their income.

50 percent of the surveyed household budgets are spent on food. Housing expenses are next at 11 percent, followed by healthcare at 6 percent, transportation at 6 percent and education at 5 percent.

Housing Expenses

Survey data show that the average expenditure per household is LE 1,369. They also show that 84 percent of households spend less than LE 2,000 on housing annually and that 14 percent spend in the range of LE 2,000 to 5,000.

Except for the “less than LE 2,000” category, the data also show that the housing expenditures of households in urban Egypt in 2007-08 are slightly lower than those of households in urban Egypt in 2004-05.

Possession of Assets and Financial Dealings

Survey data reveal that 97 percent of households own a color television while 77 percent possess a satellite dish receiver and 60 percent have cell phones.

13 percent of households have members who have financial dealings with banks, lenders, installment sellers, or other financial institutions.

The following table summarizes key indicators related to urban Egypt’s household characteristics:

| Summary of Household Characteristics | |
|--|-----------|
| Average Household Size | 4 persons |
| % of Household Members between the Age of 15- 35 years | 36% |
| % of Household Members Currently Unemployed | 9% |
| Average Per Capita Annual Income | LE 3,555 |
| Average Annual Household Income | LE 14,578 |
| Average Annual Per Capita Expenditure | LE 3,171 |
| Average Annual Household Expenditure | LE 13,006 |
| % of Housing Expenses of Total Household Budget | 11% |
| Average Annual Expenditure on Housing Per Household | LE 1,369 |
| % of Households with Color TVs | 97% |
| % of Households with Private Cars | 9% |
| % of Households with Current Financial Dealings | 13% |

Regional Comparisons of Household Characteristics

In general, average household size is about 4 persons, adult literacy rate represents about four-fifths of total population, less than one third of total household members are in the labor force, and the unemployment rate is about one tenth of labor force. However, there are some significant variations from the norm.

In particular, urban Upper Egypt has the lowest average per capita annual income (LE 2,530 versus LE 3,555 nationally) as well as the lowest average annual household income (LE 11,291 versus LE 14,578 nationally). Also, urban Upper Egypt has the lowest average per capita annual expenditure as well as the lowest average annual household expenditures.

Surprisingly, households in urban Upper Egypt have the highest overall savings (12.3 percent versus 10.8 percent nationally).

The data show that households in Greater Cairo are the richest compared to households in other urban regions.

For asset ownership, Greater Cairo has also the highest percentage of households with private cars (14.9 percent). As for financial dealings, Greater Cairo has the highest percentage of households with current financial dealings (18.3 percent).

CHAPTER 1: INTRODUCTION

1.1 STRUCTURE OF THE STUDY

This report on housing which covers urban Egypt is one of a series of housing studies based on a representative household sample survey carried out in 2008 (see Section 1.2 below). Other reports in this series cover specific geographical areas (including urban Greater Cairo, urban Delta, urban Upper Egypt, urban Canal Zone governorates, and Peri-urban Greater Cairo).

This report is organized as follows: Chapter Two of this report looks at the characteristics of the buildings and neighborhoods in which surveyed households in urban Egypt live. Chapter Three reports on the socio-economic characteristics of the households surveyed, including expenditures and income and financial behavior. Chapter Four looks at the characteristics of the housing units occupied by surveyed households, including tenure status and expressed satisfaction. Chapter Five investigates housing exchange dynamics and market behavior, including both rental and purchase sub-markets. Finally, Chapter Six looks at those currently seeking housing and their expressed demand for types of units.

Included in each chapter of this report is a section which compares the key housing results for urban Egypt with regional variations. This allows insights of how urban housing parameters vary from one area to another. These comparisons are made for the following regions:

Table 1.1: Regions and Household Sample Sizes

| Region | Household Sample Size |
|---|-----------------------|
| Alexandria Governorate | 2,980 |
| Urban areas of the eight Delta governorates | 4,980 |
| Urban areas of the nine Upper Egyptian governorates | 3,840 |
| Urban areas of the three Canal Zone governorates | 1,300 |
| Greater Cairo (Cairo Governorate, Giza City, Shubra el Kheima City) | 8,480 |
| Total (urban Egypt except Frontier governorates) | 21,580 |

The housing characteristics of each of the above-mentioned regions have already been analyzed in separate reports. The displayed household sample sizes indicate the relative importance of the above-mentioned regions within the 2008 EHS.

1.2 THE 2008 EGYPT HOUSING SURVEY

As stated above, this report uses 2008 survey data to analyze housing characteristics in urban Egypt. The methodology used in this representative household sample survey which covered all of urban Egypt and which had a total sample size of 23,460 (including peri-urban Greater Cairo) households is fully described in a separate volume "Egypt Housing Survey Methodology". It should be noted that the survey looked at basic characteristics of the buildings in which surveyed households lived, but did not sample vacant buildings and/or unfinished buildings/projects and thus cannot be considered to represent the universe of buildings.

The sample household survey for urban Egypt covered the universe of all urban households in Egypt, except for those urban households found in the Frontier Governorates (See Section 1.3 below). Field work was carried out in May and June 2008. The sampling methodology and frame was based on CAPMAS master sample lists which had been adjusted for results of the 2006 Census. A total of 1,079 PSUs were used, and at 20 households per PSU the total sample size was 21,580 households (see Annex A that lists the urban Egypt PSUs). The total number of household members covered by the survey was 88,506 persons.

Also covered in the survey were basic characteristics of the buildings in which surveyed households lived. A total of 17,852 buildings were covered, comprising 59,088 housing units.

Also studied in the Survey were those household members who were actively seeking housing units on the market at the time of the Survey. These "demanders" totaled 1,735 individuals (found in 1,604 households).

This report presents only the most direct and useful results of the Survey due to time and resource constraints. The data sets generated by the Survey are extensive and rich, and the entire raw data base has been transmitted to MHUUD/MOI to ensure that other researchers may have access to this unique data set. Interested researchers should contact MHUUD/MOI to gain access to the 2008 housing demand data set.

1.3 URBAN EGYPT DEMOGRAPHICS AND THE EHS SURVEY UNIVERSE

According to the final results of the 2006 Census of Egypt, the total population of urban Egypt was 31.37 million, or 43.09 percent of the total population.³ This figure for urban Egypt includes the urban population of the five Frontier governorates – Red Sea, New Valley, Marsa Matrouh, North Sinai, and South Sinai. These five governorates had a population of 1.23 million, of which 618,000 were classified as urban. Since the Frontier governorates are not included in the 2008 EHS Survey, their urban populations must be excluded from the Survey universe. This means that the Survey does not cover approximately 1.96 percent of Egypt's total urban population, a very small portion of the total.

Table B.1 in annex B presents the 1996 and 2006 total and urban populations of each governorate of Egypt, excluding the Frontier Governorates.⁴ The 2006 urban population was 30.07 million. The urban population in 1996 was 24.05 million inhabitants, and the rate of increase over the 1996-2006 period was 2.26 percent per annum.

The average household size in urban Egypt was 4 persons according to the final results of the 2006 Census of Egypt.

Projecting the 2006 Census results in Table B.1 using the observed 1996-2006 annual growth rate yields a total population for urban Egypt in May 2008 (the time of the field

³ From the CAPMAS web site "Population and Number of Individuals by Sex in Egypt".

⁴ Table 1.1 uses the preliminary results of the 2006 Census. The final CAPMAS results incorporate administrative changes in 2008 which created two new governorates out of Greater Cairo, which makes difficult time comparisons with earlier censuses.

survey) of 31.09 million inhabitants or 7.77 million households. This is the universe of the urban Egypt EHS Survey.

CHAPTER 2: BUILDING AND NEIGHBORHOOD CHARACTERISTICS

2.1 INTRODUCTION

The 2008 Egypt Housing Survey questionnaire had a subset of questions about the buildings in which sampled households in urban Egypt resided. This resulted in information on 17,852 buildings. In addition, households were asked certain questions about their neighborhoods. This generated a number of interesting results about residential buildings and their neighborhoods which are presented in this chapter.

2.2 BUILDING CHARACTERISTICS

By far the dominant type of building is the small, multi-story apartment block. For example, practically all housing units surveyed were single apartments in buildings (84.7 percent) or more than one apartment in a building (2.9 percent). Only 7.9 percent were classified as either villas or rural houses.⁵ The remainder of units was classified as single rooms in buildings or apartments (4.4 percent). 56.6 percent of buildings had surface areas (building footprints) of 100 m² or less. Only 6.8 percent of buildings had surface areas greater than 300 m². The overall "smallness" of buildings is underscored by the fact that the median height was 4 floors and the median number of dwelling units in a building was 6.0 units.

Of the 17,852 buildings surveyed, general characteristics are summarized as follows:

- Average age of buildings: 38 years
- Median year of building construction: 1978
- Average number of housing units in building: 6.9 units
- Median number of housing units in building: 6.0 units
- Average number of floors in building (including ground floor): 3.9 floors
- Median number of floors in building (including ground floor): 4.0 floors
- Average total surface area of building (building footprint): 131.6 m²
- Median total surface area of building (building footprint) roughly: 95 m²
- Overall condition of building: 80.9 percent "adequate", 18.1 percent "partially adequate", and only 1.1 percent "inadequate"
- Average width of street fronting building entrance: 7.7 meters
- Median width of street fronting building entrance roughly: 5.8 meters

The following Tables 2.1 through 2.3 give more details about the buildings sampled in the Survey.

⁵ A rural house is a building, usually of one or two stories, that includes one room or more and is typically built of mud or adobe brick. Source: Definitions Used in Census 2006, Information and Decision Support Center, April 2007.

Table 2.1: Year of Building Construction

| Years | Count | Percent | Cumulative Percent |
|--------------|---------------|-------------|--------------------|
| Before 1955 | 2,432 | 13.6 | 13.6 |
| 1955–1964 | 2,259 | 12.7 | 26.3 |
| 1965–1974 | 3,322 | 18.6 | 44.9 |
| 1975–1984 | 3,977 | 22.3 | 67.2 |
| 1985–1994 | 3,631 | 20.3 | 87.5 |
| 1995–2004 | 2,028 | 11.4 | 98.9 |
| 2005+ | 203 | 1.1 | 100% |
| Total | 17,852 | 100% | |

Table 2.2: Number of Units in Building

| Number of Units | Count | Percent | Cumulative Percent |
|-----------------|---------------|-------------|--------------------|
| 1 | 1,484 | 8.3 | 8.3 |
| 2 | 2,399 | 13.4 | 21.8 |
| 3 | 3,080 | 17.3 | 39.0 |
| 4 | 2,528 | 14.2 | 53.2 |
| 5 | 1,384 | 7.8 | 60.9 |
| 6 | 1,248 | 7.0 | 67.9 |
| 7 | 348 | 1.9 | 69.9 |
| 8 | 957 | 5.4 | 75.2 |
| 9 | 236 | 1.3 | 76.5 |
| 10 | 1,231 | 6.9 | 83.4 |
| 11–15 | 1,236 | 6.9 | 90.4 |
| 16–20 | 936 | 5.2 | 95.6 |
| 21–30 | 547 | 3.1 | 98.7 |
| 31+ | 238 | 1.3 | 100% |
| Total | 17,852 | 100% | |

Table 2.3: Distribution of Surveyed Buildings by Number of Floors

| Building Number of Floors | Count | Percent |
|---------------------------|---------------|-------------|
| 1 | 1,578 | 8.9 |
| 2 | 2,848 | 16.0 |
| 3 | 3,800 | 21.3 |
| 4 | 3,492 | 19.6 |
| 5 | 3,251 | 18.2 |
| 6 | 1,489 | 8.3 |
| 7 | 592 | 3.3 |
| 8 | 220 | 1.2 |
| 9 | 162 | 0.9 |
| 10 | 105 | 0.6 |
| 11 | 89 | 0.5 |
| 12 | 57 | 0.3 |
| 13 | 32 | 0.2 |
| 14 | 16 | 0.1 |
| 15 | 14 | 0.1 |
| 16-29 | 21 | 0.1 |
| Missing | 88 | 0.5 |
| Total | 17,852 | 100% |

As indicated earlier, the average number of housing units per building in urban Egypt is 6.9 units. Figures in Table 2.4 indicate that the number of units in buildings rises significantly with household income quintiles, starting from 5.6 units at the first quintile reaching an average⁶ of 13.6 units for the highest income quintile. This means that richer households tend to live in larger buildings than their poorer counterparts.

Table 2.4: Mean and Median Number of Units in a Building by Household Income Quintiles⁷

| Item | 1 st Quintile | 2 nd Quintile | 3 rd Quintile | 4 th Quintile | 5 th Quintile |
|---------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| Mean no. of units | 5.6 | 6.5 | 7.6 | 8.9 | 13.6 |
| Median no. of units | 3 | 4 | 5 | 6 | 9 |

There is a similar relationship between household income quintiles and the width of the street the building fronts, although this relationship is not so dramatic, as shown in Table 2.5.

Table 2.5: Mean and Median Street Width by Income Quintiles

| Item | 1 st Quintile | 2 nd Quintile | 3 rd Quintile | 4 th Quintile | 5 th Quintile |
|------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| Mean width of street | 7.5 | 7.3 | 7.7 | 8.0 | 9.6 |
| Median width of street | 5 | 6 | 6 | 6 | 8 |

The street widths that buildings are fronting of all buildings surveyed in urban Egypt are shown in Table 2.6. As can be seen, 19.4 percent of buildings front very narrow lanes of 4 meters or less, and a full 58.1 percent front on lanes of 6 meters or less. Only 12.1 percent of buildings front on streets which are wider than 10 meters.

Table 2.6: Distribution of Surveyed Buildings by Width of Street They Front

| Street Width (m) | Count | Percent | Cumulative Percent |
|------------------|---------------|-------------|--------------------|
| –4 | 3,467 | 19.4 | 19.4 |
| –6 | 6,902 | 38.7 | 58.1 |
| –8 | 3,633 | 20.4 | 78.4 |
| –10 | 1,693 | 9.5 | 87.9 |
| –15 | 1,393 | 7.8 | 95.7 |
| –20 | 417 | 2.3 | 98.1 |
| –30 | 160 | 0.9 | 99.0 |
| >30 | 187 | 1.0 | 100% |
| Total | 17,852 | 100% | |

Using the Survey results, it was possible to calculate the ratio of the height of the building to the width of the street it is on.⁸ Buildings are distributed by this ratio in Table 2.7.

⁶ The terms average and mean are used interchangeably throughout the report.

⁷ Classification of households in urban Egypt into quintiles is, in this report, based on the per capita annual income not the whole household annual income.

⁸ In this calculation it is assumed that each floor in a building is three meters high. This tends to slightly underestimate a building's height since it is common for ground floors to be four to five meters high, and for older buildings to have floors of 4 or more meters high.

Table 2.7: Distribution of Sampled Buildings by Ratio of Building Height to Street Width

| Street to Height Ratio | Count | Percent |
|------------------------|---------------|-------------|
| < 0.5 | 723 | 4.0 |
| < 1 | 2,553 | 14.3 |
| < 1.5 | 3,230 | 18.1 |
| < 2 | 4,240 | 23.8 |
| < 2.5 | 2,979 | 16.7 |
| < 3 | 832 | 4.7 |
| < 4 | 2,166 | 12.1 |
| < 5 | 521 | 2.9 |
| 5+ | 448 | 2.5 |
| Missing | 160 | 0.9 |
| Total | 17,852 | 100% |

In the Egyptian Building Code, the maximum allowed ratio of building height to street width is 1.5. Since in the sample only 36.4 percent of buildings had ratios equal to or less than 1.5, it is obvious that this stipulation is widely ignored, even in "formal" neighborhoods. The median is a ratio of about 1.8, and 18.4 percent of buildings had ratios in excess of 3.

A question was asked as to who originally owned (produced) the building. This revealed that: overall, 75.9 percent of buildings were produced by an individual or a group of individuals; 14.9 percent were produced by informal developers or contractors "ahali"; 7.8 percent were produced by government or the public sector; and only 1.3 percent were produced by private sector companies. This underscores the fact that overwhelmingly residential buildings in urban Egypt have been produced by individuals and informal operators. In contrast, the formal private sector has been almost non-existent as a producer, and government has played only a minor role.

2.3 NEIGHBORHOOD CHARACTERISTICS

Households surveyed were asked if they considered their immediate neighborhood to be formal or informal (*aashwa'i*). Overall 41.0 percent of households considered their neighborhood to be informal, and the rest considered their neighborhood to be formal.

The portion of households who said they lived in informal areas correlated inversely with the income of the household, as shown in Table 2.8. For example, 56.9 percent of the poorest respondents (first household quintile) said they lived in informal areas, compared to only 23.3 percent of the richest (fifth household quintile).

For households who said they lived in formal areas, 43.1 percent of the poorest respondents said they lived in formal areas compared to 76.7 percent of the richest. Thus, data show that the perception of "formality" of the neighborhood increases with rising household income.

Table 2.8: Formality of District by Income Quintiles

| Item | 1 st Quintile | 2 nd Quintile | 3 rd Quintile | 4 th Quintile | 5 th Quintile | Total |
|--------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|---------------|
| Informal (N) | 2,434 | 2,089 | 1,697 | 1,556 | 1,070 | 8,846 |
| (%) | 56.9 | 47.7 | 42.5 | 35.9 | 23.3 | 41.0 |
| Formal (N) | 1,846 | 2,294 | 2,299 | 2,774 | 3,517 | 12,730 |
| (%) | 43.1 | 52.3 | 57.5 | 64.1 | 76.7 | 59.0 |
| Total (N) | 4,280 | 4,383 | 3,996 | 4,330 | 4,587 | 21,576 |
| (%) | 19.8 | 20.3 | 18.5 | 20.1 | 21.3 | 100% |

The Survey asked about the condition of the street on which the building was located, and the results were as follows:

| | |
|--|--------------|
| On paved street in good condition | 31.3% |
| On paved street not in good condition | 13.8% |
| On street with traces of former paving | 11.3% |
| On un-paved street | <u>43.5%</u> |
| | 100% |

From these figures it can be concluded that the condition of residential streets in urban Egypt is not good, with almost half of streets being unpaved. And only 31 percent of residential streets are considered paved in good condition.

Almost all households have access to running water either by having a water tap inside the housing unit (97.0 percent) or having a tap inside the building (1.3 percent). Only 1.7 percent of households have no access to running water.

The overwhelming majority (91.9 percent) of surveyed housing units have access to sewage lines, while 8.1 percent lack such access.

2.4 CHARACTERISTICS OF UNOCCUPIED UNITS IN BUILDINGS

In the Survey, questions were asked about all the units in surveyed buildings, including closed/vacant units. This generated information about these unoccupied units, as shown below. It is important to understand that this information does not relate to the universe of all dwelling units in urban Egypt nor to the universe of vacant units, but only relates to vacant units in buildings where surveyed households live. And since households were selected randomly, the chance that a building was selected is greater the higher the number of households residing in it. Also, no completely un-inhabited buildings were captured in the Survey. Even so, the results which are presented here allow a better picture of the characteristics of these vacant units and the reasons for their vacancy.

What is the definition of a vacant unit? In the questionnaire, the respondent was asked to enumerate all units in the building which were not used, in other words no one is occupying it presently.

Overall, vacant units (N=4,289) represented 3.5 percent of the total units (N=122,457) enumerated in all the buildings surveyed. As mentioned above, this does not relate to the total universe of closed/vacant units, which would represent a far higher portion of the total

dwelling unit stock. The percentage of surveyed buildings which contained at least one vacant unit was 6.3 percent.

Table 2.9 breaks down the enumerated vacant units by tenure status and condition. Of the total vacant units enumerated (N=4,289): 74.4 percent were owned; 15.1 percent were held under Old Rent contracts; and only 3.5 percent were held under New Rent Contracts.⁹ No furnished rental units or "gift" units were un-occupied. As can be seen, the large majority of vacant units, 93.8 percent, were not offered for sale or rent, i.e. they were withheld from the market even though they were empty.

Table 2.9: Surveyed Unoccupied Units by Tenure and Condition

| Unoccupied Units | Condition | Ownership | Old Rent | New Rent | Gift | Total |
|-------------------------|----------------------------------|--------------|--------------|------------|------------|--------------|
| Unoccupied off-market | Residential ready to be lived in | 653 | 477 | 8 | 13 | 1,151 |
| | Commercial ready to be used | 60 | 32 | 27 | 0 | 119 |
| | Empty and finished | 1,300 | 105 | 43 | 103 | 1,551 |
| | Empty and 1/2 finished | 438 | 15 | 6 | 57 | 516 |
| | Empty and not-finished | 517 | 19 | 37 | 115 | 688 |
| | Total | | 2,968 | 648 | 121 | 288 |
| Unoccupied on-market | Empty and finished | 117 | 0 | 12 | 3 | 132 |
| | Empty and 1/2 finished | 21 | 0 | 8 | 7 | 36 |
| | Empty and not-finished | 85 | 0 | 10 | 1 | 96 |
| | Total | 223 | 0 | 30 | 11 | 264 |
| Total unoccupied | | 3,191 | 648 | 151 | 299 | 4,289 |

Of the vacant units being withheld from the market, most, 67.1 percent, were either "residential units ready to be lived in" or "empty and finished". Only 29.9 percent were either not finished or half finished.

Which units, according to tenure status, registered the highest rate of vacancy? By comparing unoccupied units with the total units in each tenure category, the following vacancy rates were obtained:

| | |
|----------------|-----------------------------|
| Owned Units | 4.9 percent were unoccupied |
| Old Rent Units | 1.7 percent were unoccupied |
| New Rent Units | 1.5 percent were unoccupied |
| Gift Units | 3.1 percent were unoccupied |

The average number of years units have been closed is 5.2 years, and the median is 4.0 years.

The average gross area of vacant units is 83.6 m² and the median is 80.0 m². 22.9 percent of such units were 60 m² or less in area, and 15.3 percent were greater than 100 m² in area. It should be pointed out that the sizes of sampled vacant units are slightly higher than sampled occupied units in urban Egypt, as is discussed in Chapter 4 below.

In the Survey, there were 1,712 informants who responded to questions about reasons for vacancy of units in buildings. These informants stated that the most frequent reasons given for non-occupancy of these units were:

⁹ The New Law refers to Law no. 4 of 1996 that decontrolled rents and allowed landlords to set market prices for new or vacant units.

| | |
|---|--------------|
| Family has another unit to live in | 30.2 percent |
| No one has lived in the unit since it was built/purchased | 27.0 percent |
| Family Traveled | 23.1 percent |
| Other reasons | 2.7 percent |
| (multiple choice response) | |

Of these 1,712 informants, 959 were building landlords who owned vacant units. These landlords stated that the main reasons for their units remaining vacant were:

| | |
|--|--------------|
| Left for children when they marry | 74.9 percent |
| Rents and prices for the units are too high to attract clients | 12.6 percent |
| Left as long term investment | 9.3 percent |
| Unavailable Utilities | 5.9 percent |
| Location unsuitable | 3.9 percent |
| (multiple choice response) | |

2.5 REGIONAL COMPARISONS

How do the building and neighborhood characteristics described above for urban Egypt vary across the different regions? Table 2.10 assembles and displays key building and neighborhood variables which allow for rapid comparisons among the five regions.

In general, the main findings for urban Egypt repeat themselves throughout the regions. That is, buildings are predominantly small multi-story apartment blocks. Informal areas are found throughout the region, as are narrow and unpaved streets, etc.

However, there are some significant variations from the norm. In particular, the Canal Zone cities exhibit building and neighborhood characteristics which in many ways set them apart from the national urban averages. For example, buildings are on average significantly larger – the median building footprint is 150 m², compared to the national average of 100 m², and the number of units per building is 10 versus 7 for the nation. Also, the Canal cities have wider streets – averaging 11 meters versus 7.7 for urban Egypt, and these streets are in significantly better condition, with 57 percent well paved versus only 31 percent nationally. Also, Canal cities have by far the lowest proportion of buildings deemed to be in informal neighborhoods – only 24 percent versus 41 percent nationally. Finally, Canal cities have the lowest percentage of buildings built by individuals (52 percent versus 76 percent nationally).

Table 2.10: Building and Neighborhood Characteristics: Regional Variations

| Item of Comparison | Greater Cairo | Alex | Canal | Delta | Upper Egypt | Urban Egypt |
|--|---------------|--------|-------|-------|-------------|-------------|
| Average Age of Building (in years) | 17 | 33 | 23 | 36 | 34 | 27 |
| Average Number of Housing Units per Building | 9 | 9 | 10 | 4 | 4 | 7 |
| Median Number of Housing Units per Building | 6 | 6 | 6 | 3 | 3 | 4 |
| Average Number of Floors per Building | 4.6 | 5 | 4 | 3 | 3 | 3.9 |
| Median Number of Floors per Building | 5 | 4 | 4 | 3 | 3 | 4 |
| Average building footprint (m ²) | 157 | 138 | 178 | 108 | 99 | 132 |
| Median building footprint (m ²) | 116 | 110 | 150 | 90 | 83 | 100 |
| | | | | | | |
| % of Buildings Deemed Adequate | 88.5 | 69 | 92 | 65 | 92 | 81 |
| | | | | | | |
| Average Width of Street (m) | 7.6 | 8 | 11 | 9 | 6 | 7.7 |
| Median Width of Street (m) | 6 | 7 | 10 | 6 | 5 | 6 |
| | | | | | | |
| % of Buildings with Height to Street Width Ratio over 1.5 | 76 | 69 | 39 | 79 | 55 | 64 |
| | | | | | | |
| % of Streets Paved in Good Condition | 34 | 45 | 57 | 25 | 18 | 31 |
| | | | | | | |
| % of Buildings in aashwa'i areas | 44 | 34 | 24 | 36 | 53 | 41 |
| | | | | | | |
| % of Buildings Produced by Individuals | 66 | 64 | 52 | 90 | 91 | 76 |
| | | | | | | |
| % of Vacant Units on Market | 6 | 4 | 7 | 10 | 6 | 6 |
| Average Number of Years Vacant Unit is Closed | 5 | 5 | 5 | 5 | 6 | 5 |
| % of Vacant Units Owned versus Under Old Rent | 71, 17 | 73, 26 | 47, 4 | 86, 9 | 78, 7 | 74, 15 |
| % of Building Landlords Leaving Units Vacant for Offspring | 69 | 58 | 100 | 81 | 83 | 75 |

The distinctiveness of the Canal cities can be explained by two facts:

- The Canal cities have all had much higher percentages of government produced housing than anywhere else in Egypt (see also Chapter 5); and
- These cities have expanded almost exclusively on government-owned and planned land.

Thus "formal" construction, planned neighborhoods, and state production dominate in the Canal cities. This perhaps explains why 92 percent of buildings are deemed adequate in the Canal towns (along with Upper Egypt, the highest proportion of any region), although it may also be due to the relatively young age of buildings and the relatively higher income of the inhabitants (See Chapter 3).

Conversely, it can be said that building and neighborhood conditions in Upper Egyptian cities are of lower standards than the norm. Buildings are significantly smaller – averaging 4 units per building compared to 7 units nationally, and with building footprints averaging 99 m² versus 132 m² nationally. Upper Egyptian cities have the highest portion of buildings deemed to be in informal areas – 53 percent versus 41 percent nationally. They also have the narrowest streets – 6 meters versus 7.7 meters nationally. And only 18 percent of streets are paved in good condition compared to the national average of 31 percent. However, it is surprising to note that a very high portion of buildings are deemed adequate – 92 percent – which along with the Canal cities is the highest regional score.

Greater Cairo and Alexandria, which are by far the largest urban agglomerations in Egypt, tend to exhibit similar building and neighborhood characteristics, as displayed in Table 2.10. However, Greater Cairo has the highest portion of buildings which are deemed to be located in informal areas at 44 percent (compared to 34 percent in Alexandria and 41 percent nationally). And Greater Cairo's buildings are by far the newest – averaging 17 years in age versus 27 years nationally and 33 years for Alexandria. Also, Greater Cairo has a high proportion of buildings which are deemed adequate – 88.5 percent – compared to Alexandria at only 69 percent and 81 percent nationally. These characteristics perhaps reflect that Greater Cairo has been under more urban development pressures, with more newer buildings but also with more informal areas.

The Delta towns tend to exhibit average building and neighborhood characteristics, except for three anomalies. First, it is the region which has the lowest percentage of buildings that are deemed adequate at 65 percent (versus 81 percent nationally). Secondly, the Delta region has the highest proportion of buildings whose street width to building height ratio exceeds 1.5 – 79 percent versus 64 percent nationally. Thirdly, the residential building stock is the oldest of any region, averaging 36 years. It is difficult to explain these anomalies.

CHAPTER 3: HOUSEHOLD CHARACTERISTICS

3.1 INTRODUCTION

This chapter analyzes the socioeconomic characteristics of households in urban Egypt and studies the relationship between income and socioeconomic variables such as gender, age, educational status and employment of the household head, household total annual expenditures and household expenditures on housing. This chapter also captures the disparities in these characteristics across the five regions covered by the Egypt Housing Survey, as shown in the last section.

3.2 HOUSEHOLD CHARACTERISTICS

3.2.1 AGE AND GENDER COMPOSITION

In urban Egypt, the sampled households included large numbers of children and youth. The proportion of household members under age 15 was 30.4 percent, while 35.8 percent was between 15 and 35 years of age. This distribution means that in the coming years, many Egyptians will be reaching the stage of life where they wish to marry, start their own families, and thus create new households — creating a corresponding need for additional housing.

Among the households sampled, the gender breakdown was 50.6 percent male, 49.4 percent female.

The average age of household head (i.e., the person who normally supports the rest of the household) is 49.3 years. Most households (85 percent) in urban Egypt are supported by males, while 15 percent are supported by females.

Table 3.1 shows the head-of-household (HHH) gender and age by household income quintiles. Clearly, the percentage of households supported by females is higher in richer quintiles. The age of household head increases with the increase of income.

Table 3.1: Head-of-Household Gender and Age by Income Quintiles

| | 1 st Quintile | 2 nd Quintile | 3 rd Quintile | 4 th Quintile | 5 th Quintile | Overall Sample |
|-------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-------------------|
| HHH Gender | | | | | | |
| Male (%) | 90.7 | 88.2 | 85.9 | 81.7 | 78.7 | 85.0 |
| Female (%) | 9.3 | 11.8 | 14.1 | 18.3 | 21.3 | 15.0 |
| HHH Age | | | | | | |
| Mean | 45.7 | 46.4 | 49.2 | 51.3 | 53.6 | 49.3 |
| Median | 45.0 | 45.0 | 49.0 | 52.0 | 55.0 | 49.0 |

Note: Income quintiles represent the national urban per capita household income distribution.

3.2.2 MARITAL STATUS

The great majority of heads of household (79.5 percent) are married.

For individuals of marriageable age (defined as 16 or older for females, 18 or older for males), more than half (59.8 percent) are married, while those who have never been married are about one-third of this population (see Table 3.2 below). Among females of marriageable age, 26.9 percent have never been married; the figure for males is 35.4 percent. These last

figures are suggestive of potential future demand for housing, since many of these individuals can be expected to marry and start new households.

Table 3.2: Household Members of Marriageable Age by Marital Status and Gender

| Marital Status | Females | | Males | | Total | |
|--------------------|---------------|-------------|---------------|-------------|---------------|-------------|
| | Count | Percent | Count | Percent | Count | Percent |
| Never been married | 8,235 | 26.9 | 10,363 | 35.4 | 18,598 | 31.1 |
| Married | 17,963 | 58.7 | 17,854 | 60.9 | 35,817 | 59.8 |
| Widowed | 3,689 | 12.1 | 807 | 2.8 | 4,496 | 7.5 |
| Divorced | 590 | 1.9 | 170 | 0.6 | 760 | 1.3 |
| Signed Contract | 103 | 0.3 | 110 | 0.4 | 213 | 0.4 |
| Total | 30,580 | 100% | 29,304 | 100% | 59,884 | 100% |

3.2.3 HOUSEHOLD SIZE AND COMPOSITION

Survey results indicate that 35.9 percent of households in urban Egypt consist of one to three members, 60.8 percent of four to seven members, and just 3.4 percent of eight members or more. The average household size is 4.1 persons.

Households fall mainly into three categories: one-person households (7.5 percent of the sample), nuclear households (the vast majority, at 82.4 percent), and extended households (10.0 percent). Composite households represent only 0.1 percent.¹⁰

3.2.4 EDUCATION

Survey data show that 20.4 percent of household members aged 10 or older are illiterate and the adult literacy rate is 79.6 percent (see Table 3.3).

¹⁰ A nuclear household is defined as a household consisting of a single family nucleus. It may be classified into: (i) Married couples with or without children; or (ii) father or mother with children. An extended household consists of any of the following: (i) A single family nucleus and other related persons; (ii) Two or more family nuclei related to each other without any other persons; (iii) Two or more family nuclei related to each other plus other persons related to at least one of the nuclei; or (iv) Two or more persons related to each other, none of whom constitute a family nucleus. A composite household is defined as a household consisting of any of the following: (i) A single family nucleus plus other persons, some of whom are related to the nucleus and some of whom are not; (ii) A single family nucleus plus other persons, none of whom is related to the nucleus (Source: Principles and Recommendations for Population and Housing Censuses, Statistics Division, Department of Economic and Social Affairs, United Nations, 1997.)

Table 3.3: Level of Education for Household Members over Age 10

| Level of Education | Count | Percent |
|--|---------------|-------------|
| Illiterate | 14,758 | 20.4 |
| Literate (no degree) | 8,677 | 12.0 |
| Below average education (elementary, preparatory only) | 15,363 | 21.2 |
| Average education (high school) | 19,456 | 26.9 |
| Above average but below university degree | 2,428 | 3.4 |
| University degree | 11,140 | 15.4 |
| Post-graduate degree (Masters, Ph.D.) | 488 | 0.7 |
| Total | 72,310 | 100% |

As for household heads, a significant number (28.4 percent) are illiterate. 8.9 percent of household heads can read and write, but have not completed any level of schooling. 23.9 percent of heads of households have average levels of education, and 19.2 percent have university degrees (see Table 3.4).

It should be noted that education is one component of the cultural background of individuals that not only affects housing needs and choices but also influences housing satisfaction.

Table 3.4 shows the head-of-household level of education by household income quintiles. It is noted that illiteracy decreases with the increase in income, while the percentage of university graduate and post-graduate heads of household rises with the increase in income. Education is, therefore, to some extent positively correlated with income.

Table 3.4: Head-of-Household Level of Education by Household Income Quintiles

| HHH Level of Education | 1 st Quintile (%) | 2 nd Quintile (%) | 3 rd Quintile (%) | 4 th Quintile (%) | 5 th Quintile (%) | Overall Sample (%) |
|--|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|--------------------|
| Illiterate | 41.6 | 31.0 | 28.2 | 26.1 | 15.8 | 28.4 |
| Literate (no degree) | 12.0 | 9.4 | 9.4 | 8.2 | 5.6 | 8.9 |
| Below average education (elementary, preparatory only) | 15.8 | 17.1 | 14.8 | 14.2 | 9.5 | 14.2 |
| Average education (high school) | 21.9 | 27.3 | 27.0 | 24.6 | 19.3 | 23.9 |
| Above average but below university degree | 2.8 | 4.1 | 4.7 | 4.2 | 4.5 | 4.1 |
| University degree | 5.6 | 10.8 | 15.6 | 21.5 | 40.8 | 19.2 |
| Post-graduate degree (Masters, Ph.D.) | 0.2 | 0.2 | 0.4 | 1.1 | 4.5 | 1.3 |

3.2.5 WORK STATUS

The labor force is defined as including all people that contribute with physical or mental efforts to the production of goods or services (in other words, those who are employed), as well as those who are capable of working and are searching for a job but have not found one yet (the unemployed).

Survey data show that 30.8 percent of the sample population of urban Egypt is in the labor force. Another 52.9 percent falls within the age bracket of 15 to 64 years, but is classified as outside the labor force because these individuals are not currently employed or are not actively seeking employment as well (full-time students, housewives, etc). The remaining balance (16.3 percent) is outside all manpower. The participation rate is calculated to be 36.8 percent.¹¹

Within urban Egypt's labor force, 90.8 percent are employed. The 9.2 percent unemployment rate is almost the same as the 9.3 percent unemployment rate found in urban Egypt in 2006.¹²

A high percentage of heads of household (69.9 percent) are in the labor force. The vast majority of household heads in the labor force, 99 percent, are employed.

Table 3.5 shows the head-of-household employment status by household income quintiles. We can observe that the lower income quintiles have higher percentage of employed heads of household.

Table 3.5: Head-of-Household Employment Status by Household Income Quintiles

| HHH Employment Status | 1 st Quintile (%) | 2 nd Quintile (%) | 3 rd Quintile (%) | 4 th Quintile (%) | 5 th Quintile (%) | Overall Sample (%) |
|------------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|--------------------|
| Employed | 79.1 | 76.5 | 68.9 | 62.4 | 58.0 | 68.8 |
| Unemployed but previously employed | 1.1 | 0.6 | 0.6 | 0.5 | 0.5 | 0.7 |
| Never been employed | 0.0 | 0.1 | 0.0 | 0.1 | 0.1 | 0.1 |
| Working housewife | 0.1 | 0.3 | 0.3 | 0.4 | 0.4 | 0.3 |
| Outside labor force | 11.2 | 12.8 | 15.9 | 18.3 | 17.7 | 15.2 |
| Outside all manpower | 8.5 | 9.9 | 14.2 | 18.2 | 23.2 | 14.9 |

Of those who are employed, the majority (90.1 percent) have permanent jobs, while the rest (9.9 percent) have intermittent, temporary or seasonal jobs. As for employed household heads, 94.7 percent of this group has permanent jobs, and the remaining work intermittently or temporarily.

Laborers (production, operation, transportation, site laborers and porters) comprise the largest group (31.2 percent) of employed or previously employed survey household members. Next are technical and scientific occupations and service occupations (22.8 and 13.5 percent respectively). Managers, administrators and business owners are 11.1 percent.

¹¹ Participation rate is the ratio between the labor force and the overall size of the national population of the same age range.

¹² Egypt Human Development Report, *Egypt's Social Contract: The Role of Civil Society*, United Nations Development Programme (UNDP) and National Planning Institute, Cairo, 2008.

Clerical workers and salesmen are 8.7 and 7.9 percent respectively; while 4.7 percent are farm workers, fishermen, or hunters.

The employment patterns of heads of households are close to those described above for the labor force as a whole. 32.3 percent of household heads work as laborers and 20.5 percent are in technical and scientific occupations. 15.0 percent work as managers, administrators, and business owners while 13.2 percent work in the sector of service provisions. Clerical workers and salesmen are 7.5 and 6.2 percent respectively; and 5.2 percent are farm workers, fishermen, or hunters.

Survey data indicate that nearly all (94.5 percent) of employed participants work in a local administration unit within their same governorate, while just 0.5 percent work in new towns in their same governorate. 4.4 percent work outside the governorate where they reside and 0.6 percent work outside Egypt.

3.3 HOUSEHOLD FINANCES

3.3.1 INCOME CHARACTERISTICS

The aggregate income of all households in the sample was LE 314.6 million annually. This translates into an average per capita annual income of LE 3,555 and an average annual household income of LE 14,578.

The households in the Survey were classified according to the annual income brackets defined by CAPMAS for the purpose of comparing the EHS results with the figures on urban Egypt in the CAPMAS 2004-05 HIECS. Table 3.6 shows this comparison.

Table 3.6: Surveyed Households by Annual Income

| Household Income Brackets (LE) | EHS Urban Egypt (%) – 2008 | Urban Egypt (%) ¹³ – 2004-05 |
|--------------------------------|----------------------------|---|
| Less than 2,000 | 0.2 | 0.2 |
| 2,000 – | 0.6 | 0.7 |
| 3,000 – | 2.1 | 1.3 |
| 4,000 – | 3.8 | 2.3 |
| 5,000 – | 2.8 | 3.7 |
| 6,000 – | 6.8 | 4.6 |
| 7,000 – | 8.6 | 6.2 |
| 8,000 – | 7.0 | 7.1 |
| 9,000 – | 9.6 | 6.9 |
| 10,000 – | 9.8 | 10.6 |
| 11,500 – | 10.0 | 9.1 |
| 13,000 – | 8.2 | 10.5 |
| 15,000 – | 6.0 | 7.7 |
| 17,000 – | 7.6 | 8.5 |
| 20,000 – | 7.1 | 7.7 |
| 25,000 – | 2.5 | 4.2 |
| 30,000 – | 5.5 | 6.1 |
| 50,000 – | 1.2 | 1.7 |
| 75,000 – | 0.3 | 0.5 |
| 100,000 or more | 0.3 | 0.4 |
| Total | 100% | 100% |

Survey data show that urban Egypt had, in relative terms: more households earning less than LE 10,000 in 2007-08 (41.5 percent) than in 2004-05 (33 percent); and, less households earning LE 10,000 or more in 2007-08 than in 2004-05. The median household income has dropped from roughly LE 12,500 in 2004-05 to LE 11,300 in 2007-08. Table 3.7 shows the distribution of households by income quintiles.

Table 3.7: Annual Household Income by Quintile (LE)

| HH Annual Income | 1 st Quintile | 2 nd Quintile | 3 rd Quintile | 4 th Quintile | 5 th Quintile | Overall Sample |
|------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|----------------|
| Mean | 7,784 | 10,266 | 12,494 | 14,640 | 26,588 | 14,534 |
| Median | 7,200 | 9,600 | 12,000 | 14,400 | 22,080 | 11,300 |

Table 3.8 shows the sources of income and their relative importance. About 81 percent of income earned in urban Egypt comes from salaries and wages. The next largest fraction (12.5 percent) comes from non-agricultural businesses. Remittances account for 3.1 percent and incomes from agricultural activities comprise about 1.5 percent.

¹³ Household Income, Expenditures, and Consumption Survey 2004-05, CAPMAS

Table 3.8: Total Surveyed Annual Household Income by Income Source

| Sources of Income | LE (Million) | Percent |
|-----------------------------|--------------|-------------|
| Salaries and wages | 254.7 | 81.0 |
| Agricultural activities | 4.9 | 1.5 |
| Non-agricultural businesses | 39.3 | 12.5 |
| Financial property | 3.8 | 1.2 |
| Non-financial property | 2.2 | 0.7 |
| Remittances | 9.7 | 3.1 |
| Total | 314.6 | 100% |

3.3.2 EXPENDITURE AND SAVINGS

Survey data indicate that the total annual expenditure of all surveyed households amounts to LE 280.7 million, with an average annual per capita spending of LE 3,171 and an average annual household expenditure of LE 13,006. It is noted that individual and household income averages are higher than expenditures, indicating an overall savings capacity of surveyed households of 10.8 percent of their total income. However, this savings capacity is not the same across all quintiles. If we compare Table 3.7 with Table 3.9 (below), we can see that the savings capacity is: negative for the first quintile; almost zero for the second quintile; 3.6 percent for the third quintile; 8.2 percent for the fourth quintile; and 21.8 percent for the fifth quintile.

Table 3.9 shows the distribution of annual household expenditure by income quintiles. Obviously, expenditures increase with the increase of income.

Table 3.9: Annual Household Expenditure by Income Quintiles (LE)

| HH Annual Expenditure | 1 st Quintile | 2 nd Quintile | 3 rd Quintile | 4 th Quintile | 5 th Quintile | Overall Sample |
|-----------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|----------------|
| Mean | 7,927 | 10,264 | 12,041 | 13,440 | 20,801 | 13,007 |
| Median | 7,586 | 9,928 | 11,703 | 12,618 | 17,118 | 10,840 |

Table 3.10 shows that an average of 50.2 percent of budgets in the survey households is spent on food. Housing-related expenses are next at 10.8 percent, followed by healthcare (6.4 percent), transportation (6.1 percent), and education (5.1 percent).

Survey data also show that as household income increases: household expenditures on food decrease in relative terms; household expenditures on housing remains almost the same; household expenditures on health care and transportation increase in relative terms; and household expenditures on education decrease in relative terms.

Table 3.10: Average Percentage of Different Expenditure Categories to Total Household Expenditures by Income Quintiles

| Category | 1 st Quintile (%) | 2 nd Quintile (%) | 3 rd Quintile (%) | 4 th Quintile (%) | 5 th Quintile (%) | Overall Sample (%) |
|--|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|--------------------|
| Food | 53.4 | 51.9 | 50.3 | 49.5 | 46.0 | 50.2 |
| Alcohol, smoking and caffeine | 2.9 | 2.9 | 3.0 | 2.6 | 2.4 | 2.7 |
| Clothes | 4.7 | 4.7 | 4.6 | 4.7 | 5.0 | 4.8 |
| Housing and housing needs | 10.9 | 10.8 | 11.0 | 10.9 | 10.3 | 10.8 |
| Furniture, appliances and housing services | 3.6 | 3.6 | 3.7 | 3.7 | 3.9 | 3.7 |
| Health care | 5.8 | 5.9 | 6.1 | 6.5 | 7.5 | 6.4 |
| Transportation | 5.0 | 5.8 | 6.1 | 6.4 | 7.2 | 6.1 |
| Telecommunications | 3.2 | 4.0 | 4.5 | 4.9 | 5.9 | 4.5 |
| Culture and recreation | 1.1 | 1.5 | 1.7 | 1.9 | 2.6 | 1.8 |
| Education | 6.0 | 5.5 | 5.2 | 4.7 | 4.3 | 5.1 |
| Restaurants and hotels | 0.2 | 0.4 | 0.6 | 0.8 | 1.4 | 0.7 |
| Commodities and other services | 3.1 | 3.1 | 3.2 | 3.3 | 3.6 | 3.3 |
| Total | 100% | 100% | 100% | 100% | 100% | 100% |

3.3.3 HOUSING EXPENSES

Total housing expenditures of all surveyed households equaled LE 29.6 million, indicating an average expenditure per household of LE 1,369. Table 3.11 shows that 83.6 percent of households spend less than LE 2,000 on housing annually and that 13.9 percent spend in the range of LE 2,000 to 5,000.

Table 3.11: Housing Expenditures

| Housing Expenditure (LE) | EHS Urban Egypt (%) – 2008 | Urban Egypt (%) ¹⁴ – 2004-05 |
|--------------------------|----------------------------|---|
| Less than LE 2,000 | 83.6 | 80.4 |
| 2,000 – | 13.9 | 15.6 |
| 5,000 – | 2.2 | 3.6 |
| 15,000 or more | 0.3 | 0.4 |
| Total | 100% | 100% |

About two-thirds (65.8 percent) of all extended/composite households in the survey have household members (other than a wife and unmarried children) who contribute to housing expenses.

¹⁴ Household Income, Expenditures, and Consumption Survey 2004-05, CAPMAS

3.3.4 POSSESSION OF ASSETS

Table 3.12 shows asset ownership by surveyed households. A color television is the most common possession, owned by about 96.5 percent of households. Next is a satellite dish receiver (77.2 percent), followed by cell phones (60.3 percent). These statistics show how widespread the tools of mass media and telecommunications are in urban Egypt. They could be utilized to market housing programs to the targeted population brackets.

Table 3.12: Assets Owned by Surveyed Households

| Item | No. of Households | Percent |
|--|-------------------|---------|
| Private cars | 2,004 | 9.3 |
| Vehicle for hire (taxi, microbus, etc) | 141 | 0.7 |
| Truck | 85 | 0.4 |
| Motorcycle/Vespa | 211 | 1.0 |
| Cell phone | 13,016 | 60.3 |
| Internet | 1,629 | 7.6 |
| Deep freezer | 1,371 | 6.4 |
| Microwave/ electric oven | 749 | 3.5 |
| Automatic washer | 7,995 | 37.0 |
| Dishwasher | 489 | 2.3 |
| Vacuum cleaner | 5,444 | 25.2 |
| Air conditioner | 1,789 | 8.3 |
| Color television | 20,818 | 96.5 |
| Plasma/LCD TV | 170 | 0.8 |
| Satellite receiver/connection | 16,657 | 77.2 |
| Personal computer | 4,701 | 21.8 |
| Water filter | 510 | 2.4 |
| Agricultural land | 599 | 2.8 |
| Empty plot of land | 121 | 0.6 |
| Vacation house | 180 | 0.8 |
| Second home | 286 | 1.3 |
| Housing as form of investment or savings | 406 | 1.9 |

Survey data show that the ownership of cars, cellular phones and real estate increases as per capita household income increases.

3.3.5 FINANCIAL DEALINGS

Only 13.3 percent of all households in the survey have household members who hold current financial dealings with banks, lenders, installment sellers or financial institutions. An additional 19.0 percent of households reported that their members have had financial dealings in the past but not currently. For those who currently have or ever had financial dealings, banks come on top of financial institutions household members have dealings with (67.5 percent). Post offices come second with 24.6 percent, while installment sellers occupy the third place (9.3 percent). The main types of financial dealings include bank savings (58.3

percent), post offices saving (26.1 percent), installment purchases without bank loans (9.4 percent) and loans other than car/mortgage finance (6.9 percent).

3.4 REGIONAL COMPARISONS

How do the household characteristics described above for urban Egypt vary across the different regions? Table 3.13 assembles and displays key demographic household variables which allows for rapid comparisons among the five regions.

In general, the main findings for urban Egypt repeat themselves throughout the regions. That is, over one third of household members are between 15 and 35 years of age; less than one third of household members of marriageable age have never been married; average household size is about 4 persons; adult literacy rate represents about four-fifths of total population; less than one third of total household members are in the labor force; and the unemployment rate is about one tenth of labor force.

However, there are some significant variations from the norm. In particular, urban Upper Egypt exhibits demographic household characteristics which in many ways set it apart from the national urban averages. For example, the average household size in urban Upper Egypt is 4.5 persons compared to the national average of 4.1 persons. The adult literacy rate (10+) in urban Upper Egypt is 75.5 percent versus 79.6 percent nationally. Also, urban Upper Egypt has the lowest percentage of population in the labor force (29.2 percent versus 30.8 percent nationally); and the highest unemployment rate (along with Alexandria) – 13.8 percent versus only 9.2 percent nationally.

Table 3.13: Regional Variations: Household Demographic Characteristics

| Item | Greater Cairo | Alex | Canal | Delta | Upper Egypt | Urban Egypt |
|--|---------------|------|-------|-------|-------------|-------------|
| % of HH Members between the age of 15-35 years | 35.8 | 36.0 | 36.5 | 35.0 | 36.7 | 35.8 |
| % of HH Members of Marriageable Age who have Never Been Married | 31.5 | 30.6 | 30.8 | 29.2 | 32.9 | 31.1 |
| Average HH Size (persons) | 4.0 | 4.0 | 4.2 | 4.0 | 4.5 | 4.1 |
| Adult Literacy Rate (10+) (as % of total population) | 81.7 | 80.9 | 81.1 | 78.1 | 75.5 | 79.6 |
| Labor force (15+) (as % of total population) | 31.7 | 31.0 | 31.4 | 30.2 | 29.2 | 30.8 |
| Participation Rate (labor force as % of population within the age range 15-64) | 37.9 | 37.1 | 37.1 | 36.0 | 35.0 | 36.8 |
| Unemployment Rate (as % of labor force) | 10.2 | 13.8 | 5.0 | 8.4 | 13.8 | 9.2 |

The relative deprivation of urban Upper Egypt can be interrelated with its increasing poverty. In 2002, the World Bank reported that the largest decline in the average urban per capita expenditures between 1995 and 2000 has taken place in the Upper Egypt urban region; and that the incidence of poverty increased substantially in Upper Egypt over that period. The decrease in per capita expenditures in Upper Egypt accompanied by a worsening of income distribution contributed to a worsening of poverty.¹⁵ Successive national human development reports stated that poverty is highly concentrated in Upper Egypt. Table 3.14 illustrates the income distribution among the five regions, and shows clearly the above mentioned facts.

¹⁵ Arab Republic of Egypt - Poverty Reduction in Egypt: Diagnosis and Strategy, Volume 1: Main Report, The World Bank and the Ministry of Planning, June 29, 2002, p.17-20.

Table 3.14: Regional Variations: Income Distribution

| Item | First Quintile | Second Quintile | Third Quintile | Fourth Quintile | Fifth Quintile | Total |
|---------------|----------------|-----------------|----------------|-----------------|----------------|-------|
| Greater Cairo | 13.4 | 17 | 17.7 | 22.5 | 29.4 | 100% |
| Alex | 22.8 | 18.6 | 17 | 18.9 | 22.7 | 100% |
| Canal | 16.3 | 19.2 | 21.4 | 22.8 | 20.2 | 100% |
| Delta | 19.6 | 24.6 | 20 | 19.6 | 16.1 | 100% |
| Upper Egypt | 33.2 | 23.8 | 18.5 | 15.3 | 9.1 | 100% |
| Urban Egypt | 19.8 | 20.3 | 18.5 | 20.1 | 21.3 | 100% |

Data in Table 3.15 show that urban Upper Egypt governorates are still the most vulnerable to poverty. Urban Upper Egypt has the lowest average per capita annual income (LE 2,530 versus LE 3,555 nationally) as well the lowest average annual household income (LE 11,291 versus LE 14,578 nationally). Also, urban Upper Egypt has the lowest average per capita annual expenditure (LE 2,218 versus LE 3,171 nationally) as well the lowest average annual household expenditure (LE 9,902 versus LE 13,006 nationally).

Surprisingly, households in urban Upper Egypt have the highest overall savings capacity (12.3 percent versus 10.8 percent nationally). Accordingly, the percentage of urban households in Upper Egypt that have current financial dealings (mostly savings) is not at the bottom end. This percentage is higher than that of households in the urban Delta having current financial dealings (7.3 percent). It seems that, besides the poor, middle and high income urban households in urban Upper Egypt have developed good saving habits over years.

The relative poverty of the urban households in Upper Egypt is reflected on their average annual expenditure on housing (LE 1,008). This average annual expenditure on housing is the lowest among all the regions and is far below the national average (LE 1,369), though it is an important portion (10.2 percent) of the household budget in Upper Egypt. Also, the percentage of urban households in Upper Egypt with private cars (2.2 percent) is far lower than urban households in other regions and the national average.

Table 3.15: Regional Variations: Household Finances

| Item | Greater Cairo | Alex | Canal | Delta | Upper Egypt | Urban Egypt |
|--|---------------|--------|--------|--------|-------------|-------------|
| Average per Capita Annual Income (LE) | 4,324 | 3,557 | 3,431 | 3,140 | 2,530 | 3,555 |
| Average Annual Household Income (LE) | 17,504 | 14,096 | 14,494 | 12,443 | 11,291 | 14,578 |
| Average per Capita Annual Expenditure (LE) | 3,812 | 3,302 | 3,146 | 2,813 | 2,218 | 3,171 |
| Average Annual Household Expenditure (LE) | 15,432 | 13,085 | 13,289 | 11,148 | 9,902 | 13,006 |
| Overall Savings Capacity | 11.8 | 7.2 | 8.3 | 10.4 | 12.3 | 10.8 |
| Housing Expenses (as % of Total Household Budget) | 12.0 | 9.4 | 12.1 | 9.6 | 10.2 | 10.8 |
| Average Annual Expenditure on Housing per Household (LE) | 1,761 | 1,135 | 1,513 | 1,084 | 1,008 | 1,369 |
| % of Households with Color TVs | 96.5 | 96.8 | 97.1 | 96.9 | 95.3 | 96.5 |
| % of Households with Private Cars | 14.9 | 8.5 | 11.0 | 5.1 | 2.2 | 9.3 |
| % of Households with Current Financial Dealings | 18.3 | 12.6 | 13.4 | 7.3 | 10.6 | 13.3 |

Conversely, it can be said that households in Greater Cairo are, in relative terms, the richest compared to households in other urban regions. Greater Cairo has the highest average per capita annual income (LE 4,324) as well the highest average annual household income (LE 17,504). Also, Greater Cairo has the highest average per capita annual expenditure (LE 3,812) as well the highest average annual household expenditure (LE 15,432). This relative richness is reflected on the average annual expenditure on housing (LE 1,761) which is the highest regional score. For asset ownership, Greater Cairo has also the highest percentage of households with private cars (14.9 percent). As for financial dealings, Greater Cairo has the highest percentage of households with current financial dealings (18.3 percent). Also, the income distribution in Greater Cairo (as can be seen from Table 3.14) is skewed towards the upper income quintiles. For example, only 13.4 percent of households are in the lowest (poorest) quintile, whereas 29.4 percent are in the highest (richest) quintile.

CHAPTER 4: CHARACTERISTICS OF OCCUPIED HOUSING STOCK

4.1 INTRODUCTION

This chapter presents the Study's findings on housing conditions in urban Egypt as part of the EHS representative national sample of households. The chapter profiles the characteristics of the existing housing stock and provides responses to essential housing questions. Chapter 5 will address the operation of housing markets and complement the overall picture of housing conditions and arrangements sketched here by focusing on the personal/collective experience of individuals/households that produces the aggregate patterns seen in different parts of the housing mosaic. At the end of this chapter, regional comparisons are presented to show how characteristics of the national urban housing stock vary across regions.

4.2 HOUSING UNIT TYPES

Most households in the survey sample (84.7 percent) live in an apartment in a walk-up building. Only 2.9 percent live in more than one apartment and 3.2 percent live in a separate house or villa. 4.7 percent of households live in rural houses; 2.9 percent live in one separate room or more and 1.5 percent live in one room or more in a housing unit (i.e. sharing the same housing unit with other household(s)). A tiny percentage lives in precarious housing.¹⁶

Table 4.1 shows some common patterns. The average number of building levels is 4.4 floors for those living in one or more apartment in a walk-up building. Separate houses have on average 1.7 floors, and for buildings where households live in one room or more, the average number of building levels is 3.4 floors. In general, the housing stock in urban Egypt appears to be mainly in medium-rise buildings, ranging in height from 3 to 5 stories.

Table 4.1: Average Number of Building Floors by Housing Unit Types

| Unit Types | Average Number of Building Floors | Count |
|---|-----------------------------------|---------------|
| One apartment or more in a walk-up building | 4.4 | 18,912 |
| Separate house (villa/house or rural house) | 1.7 | 1,701 |
| One room or more (either separate or in a housing unit) or precarious housing | 3.4 | 967 |
| Total | 4.2 | 21,580 |

¹⁶ Precarious housing include places that are not designed primarily for housing but are occupied with households of the time of survey. Examples include parts of buildings inhabited by the doorman or the concierge, a shop or garage occupied by a household, cemetery yards inhabited by families, etc. Shanty houses, tents and kiosks used for housing are considered also as precarious housing. Source: Definitions Used in Census 2006, Information and Decision Support Center, April 2007.

4.3 HOUSING UNIT SIZES, NUMBER OF ROOMS AND CROWDING

The median gross housing area is 75 m², while the average gross area is 80.6 m². Table 4.2 shows that housing unit gross areas ranging from 65 m² to less than 90 m² represent the highest frequency (44.1 percent). Housing with areas of 40 m² to less than 65 m² and 90 m² to less than 120 m² comprise 19.0 percent and 20.9 percent of the surveyed housing respectively. Housing with areas of 120 m² to less than 150 m² represents 5.8 percent of surveyed units. Smaller housing units (less than 40 m²) represent 5.6 percent, and larger housing units (150 m² or more) represent 4.6 percent.

Table 4.2: Surveyed Households by Current Gross Housing Size

| Housing Area (m ²) | Count | Percent |
|--------------------------------|---------------|-------------|
| Less than 40 m ² | 1,214 | 5.6 |
| 40 – | 4,103 | 19.0 |
| 65 – | 9,507 | 44.1 |
| 90 – | 4,516 | 20.9 |
| 120 – | 1,242 | 5.8 |
| 150 or more | 998 | 4.6 |
| Total | 21,580 | 100% |

The median net housing area is 70 m², while the average net area is 73.5 m². Table 4.3 shows the surveyed households by current net housing size¹⁷ and household income quintiles. The survey data show that households in the lower income quintiles tend to live in smaller units. Correspondingly, higher income households are more likely to live in large units. Housing unit size is therefore directly and strongly related to household income.

Table 4.3: Surveyed Households by Current Net Housing Size and Income Quintiles

| Housing Size (m ²) | 1 st Quintile (%) | 2 nd Quintile (%) | 3 rd Quintile (%) | 4 th Quintile (%) | 5 th Quintile (%) | Overall Sample (%) |
|--------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|--------------------|
| Less than 40 | 14.6 | 8.3 | 6.0 | 5.0 | 2.8 | 7.3 |
| 40 – | 35.6 | 34.5 | 31.3 | 26.3 | 16.6 | 28.7 |
| 65 – | 35.1 | 42.2 | 46.0 | 45.3 | 36.5 | 40.9 |
| 90 – | 11.2 | 12.5 | 13.7 | 17.4 | 26.2 | 16.4 |
| 120 – | 1.8 | 1.4 | 2.0 | 3.6 | 9.0 | 3.6 |
| 150 or more | 1.6 | 1.2 | 1.1 | 2.4 | 9.0 | 3.2 |
| Total | 100% | 100% | 100% | 100% | 100% | 100% |

Table 4.4 shows the average net housing area per capita by income quintiles. The Survey data show that the average net housing area per capita is in direct relation with income. Higher income households are more likely to have more net housing area per capita.

¹⁷ Net (or usable) housing size excludes the unit's share of building common areas (building duct, elevator lobby, corridor, etc.) that are included in gross housing size.

Table 4.4: Average Net Housing Area per Capita by Income Quintiles

| Item | 1 st Quintile | 2 nd Quintile | 3 rd Quintile | 4 th Quintile | 5 th Quintile | Overall Sample |
|---|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|----------------|
| Average Net Housing Area per Capita (m² per capita) | 12.8 | 16.3 | 19.3 | 25.9 | 40.2 | 23.2 |

Table 4.5 shows the average net housing area per capita by tenure types. The survey data indicate that the average net housing area per capita is the highest for ownership (25.0 m²). For units rented under the old law, the average net housing area per capita is 22.9 m² while it is slightly lower for units rented under the new law (20.7 m²). The average net housing area per capita is 18.8 m² for rent-free units (gifts, in-kind privileges, others).

Table 4.5: Average Net Housing Area per Capita by Tenure Types

| Tenure Types | Average Net Housing Area per Capita (m ² per capita) | Count |
|---|---|---------------|
| Ownership (including purchase from government) | 25.0 | 10,611 |
| Old law rental (including governmental rental) | 22.9 | 5,987 |
| New law rental (including furnished rental) | 20.7 | 1,904 |
| Rent-free (including gift, in-kind privilege, others) | 18.8 | 3,078 |
| Total | 23.2 | 21,580 |

Table 4.6 illustrates the average net housing area per capita by unit types. The survey data indicate that the average net housing area per capita is almost the same for apartments and separate houses (21.1 m² and 21.5 m²). For households living in one room or more, the average net housing area per capita appears to be very low (10.3 m²).

Table 4.6: Average Net Housing Area per Capita by Unit Types

| Unit types | Average Net Housing Area per Capita (m ² per capita) | Count |
|---|---|---------------|
| One apartment or more in a walk-up building | 21.1 | 18,912 |
| Separate house (villa/house or rural house) | 21.5 | 1,701 |
| One room or more (either separate or in a housing unit) | 10.3 | 967 |
| Total | 23.2 | 21,580 |

As can be seen from Table 4.7, the size of housing units varies between informal and formal residential neighborhoods. Households characterizing their neighborhoods as informal live in smaller units. It seems that developers in informal areas tend to build small but affordable housing units. This fact is reiterated by comparing the size of units purchased in informal areas over the last five years with that of units purchased in formal areas (see Section 5.4 below).

Table 4.7: Housing Unit Area in Formal and Informal Areas

| Item | Informal Areas | Formal Areas |
|--|----------------|--------------|
| Median Gross Housing Area (m ²) | 70.0 | 80.0 |
| Average Gross Housing Area (m ²) | 72.6 | 86.2 |
| Median Net Housing Area (m ²) | 65.0 | 73.0 |
| Average Net Housing Area (m ²) | 65.7 | 78.9 |

Most respondents in the survey reside in three- or four-room housing, at 45.6 and 35.4 percent respectively. Only a few households reside in larger housing (5 rooms, 6.4 percent; and 6 rooms or more, 1.7 percent), or in smaller (one room or two rooms, at 3.1 and 7.8 percent). The average number of persons per room is 1.21.¹⁸

About two-thirds (64.2 percent) of households in the sample use two rooms for sleeping, while 15.1 percent use one and 18.9 percent use three. Only 1.6 percent of sample households use four rooms for sleeping. A very small number (0.6 percent) use one or more rooms for productive activities related to earning a livelihood.

Table 4.8 shows the number of rooms and bedrooms by income quintiles. The average number of rooms was found to be almost the same in all quintiles (ranging from 3.2 to 3.7); while the average number of bedrooms was found to be around 2.1 in all quintiles. By inference, this implies that it is the size of room which increases with household income.

Table 4.8: Mean Number of Rooms and of Bedrooms by Income Quintiles

| Item | 1 st Quintile | 2 nd Quintile | 3 rd Quintile | 4 th Quintile | 5 th Quintile | Overall Sample |
|----------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|----------------|
| Mean no. of rooms | 3.2 | 3.3 | 3.4 | 3.5 | 3.7 | 3.4 |
| Mean no. of bedrooms | 2.0 | 2.1 | 2.1 | 2.1 | 2.1 | 2.1 |

4.4 HOUSING UNIT AMENITIES

Table 4.9 shows that most households in the survey sample (93.1 percent) have a private kitchen in their housing. 5.5 percent of households do not have a separate place for food preparation, and only 1.4 percent have shared kitchens. Table 4.9 also shows that 94.0 percent of households have access to private bathing and toilet facilities while 5.8 percent have shared bathing and toilet facilities.

¹⁸ The average number of persons per room is obtained by dividing the total population in occupied housing units by the total number of rooms (United Nations Statistics Division, 2007).

Table 4.9: Availability of Amenities in Urban Egypt Housing Units

| Facility | Count | Percent |
|-------------------------|---------------|-------------|
| Private kitchen | 20,085 | 93.1 |
| Shared kitchen | 303 | 1.4 |
| No kitchen | 1,192 | 5.5 |
| Total | 21,580 | 100% |
| Private bath and toilet | 20,277 | 94.0 |
| Shared bath or toilet | 1,254 | 5.8 |
| None | 26 | 0.1 |
| Missing | 23 | 0.1 |
| Total | 21,580 | 100% |

Almost all households have access to running water either by having a water tap inside the housing unit (97.0 percent) or having a tap inside the building (1.3 percent). Only 1.7 percent of households have no access to running water.

The overwhelming majority (91.9 percent) of surveyed housing units have access to sewage lines, while 8.1 percent lack such access.

Access to water and wastewater services varies between formal and informal residential neighborhoods as shown in Table 4.10. From the table, it is clear that households living in informal settlements suffer more from lack of access to sewerage facility; although not so dramatically.

Table 4.10: Access to Basic Services in Formal and Informal Neighborhoods

| Item | | Informal Areas | Formal Areas |
|-----------------------|---|----------------|--------------|
| Water connection | A water tap inside the housing unit | 95.1 | 98.3 |
| | A water tap for the building as a whole | 2.0 | 0.7 |
| | Not connected | 2.9 | 1.0 |
| | Total | 100% | 100% |
| Wastewater connection | Connected | 87.5 | 95.0 |
| | Not connected | 12.5 | 5.0 |
| | Total | 100% | 100% |

4.5 HOUSING UNIT IMPROVEMENTS

Most households (76.8 percent) have made modifications in their housing units at some point since first occupying them. In 2007, only 7.3 percent of these households made renovations or improvements.

Among the renovations or improvements made during 2007 (N=1,214), most renovations were for repairing or finishing housing units, and for improving utility services. 47.1 percent of households had their housing units plastered and/or painted, and 17.1 percent had wall and/or ceiling repairs. To improve utilities and services, 49.5 percent of households did plumbing work or added a bathroom while 16.8 percent had electricity repairs or connections.

Few households took a “do-it-yourself” approach to renovations; only 14.9 percent of households that did renovations in 2007 had a member who participated in the work.

The majority of households (85.7 percent) that made improvements/renovations in their housing units during 2007 spent less than LE 3,000 on these modifications. This group represents 4.9 percent of all 21,580 households.

As for the current status of the unit, 69.8 percent of households indicated they had no need to make modifications. The remaining 30.2 percent identified the required renovations or improvements as mostly repairing or finishing, and improving utilities and services. The home repairs and finishing most needed were internal plastering and/or painting (64.6 percent), and wall and/or ceiling repairs (37.0 percent).

The most needed utility improvements were plumbing or adding a bathroom (31.9 percent of households), and repairing the stairway/entrance (15.6 percent).

Very low numbers of respondents (8.5 percent) indicated a need to expand their home by such means as closing in a balcony to add space, or dividing up or building on rooms.

4.6 EXPRESSED HOUSING UNIT SATISFACTION

91.3 percent of households were satisfied with their current housing, while the remaining households were totally dissatisfied. The most commonly identified source of dissatisfaction with housing was insufficient living area, expressed by 67.1 percent. Almost one third of dissatisfied households had internal utility problems (28.9 percent), and 22.7 percent had wall cracks.

The most frequently identified problems with neighborhoods were inappropriateness of neighborhood standards (20.3 percent); noise (15.8 percent); and overcrowding (12.0 percent). Nearly two-fifths (41.0 percent) of all surveyed households characterized their neighborhood as informal (aashwa'i).

Table 4.11 shows that the demand for housing increases with increased dissatisfaction with current housing.

Table 4.11: Relation between Dissatisfaction with Current Housing and Expressed Demand¹⁹

| Item | Satisfied | Somehow Satisfied | Dissatisfied | Total |
|--------------------------------------|---------------|-------------------|--------------|---------------|
| No. of households with demand (%) | 4.9 | 10.9 | 20.0 | 7.4 |
| No. of households without demand (%) | 95.1 | 89.1 | 80.0 | 92.6 |
| Total (%) | 100 | 100 | 100 | 100 |
| Total no. of households | 15,383 | 4,327 | 1,870 | 21,580 |

¹⁹ See Chapter 6 for a full discussion of “expressed demand.”

4.7 HOUSING TENURE STATUS AND SECURITY

Data in Table 4.12 indicate that there are two main tenure types dominating the housing stock in Egypt: ownership (44.4 percent) and rental according to the Old Law (26.9 percent). Rental according to the New Law is still limited (8.8 percent) while gift and in-kind privileges are slightly higher (14.1 percent). Public housing represents only 5.5 percent of the housing stock.

Table 4.12: Distribution of Households by Tenure Types

| Tenure Types | Count | Percent |
|--------------------------|---------------|-------------|
| Old Law Rental | 5,807 | 26.9 |
| New Law Rental | 1,896 | 8.8 |
| Government Rental | 180 | 0.8 |
| Furnished Rental | 8 | 0.0 |
| Ownership | 9,592 | 44.4 |
| Purchase from Government | 1,019 | 4.7 |
| Gift | 2,713 | 12.6 |
| In-kind privilege | 329 | 1.5 |
| Others | 36 | 0.2 |
| Total | 21,580 | 100% |

Table 4.13 illustrates the break down of aggregate tenure types by income quintiles. Ownership seems to be slightly more dominant for the 1st and 5th quintiles than for the other three quintiles.

The percentage of households renting under the Old Law increases by income quintile. That finding indicates that a large portion of households benefiting from artificially low Old Law rents could afford the rent increase that may follow an eventual rent decontrol.

Rental under the New Law is, except for the first quintile, evenly represented over all income quintiles and would appear to be suitable for lower-middle and middle income households (from second to fourth quintiles).

Table 4.13: Distribution of Households by Tenure Types and by Household Income Quintiles (%)

| Tenure Types | 1 st Quintile (%) | 2 nd Quintile (%) | 3 rd Quintile (%) | 4 th Quintile (%) | 5 th Quintile (%) | Overall Sample (%) |
|---|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|--------------------|
| Ownership (including purchase from government) | 50.6 | 48.9 | 47.1 | 48.7 | 50.3 | 49.2 |
| Old law rental (including government rental) | 18.8 | 24.5 | 28.8 | 32.2 | 34.0 | 27.7 |
| New law rental (including furnished rental) | 6.4 | 8.9 | 10.4 | 9.6 | 8.9 | 8.8 |
| Rent-free (including gift, in-kind privilege, others) | 24.2 | 17.6 | 13.7 | 9.4 | 6.8 | 14.3 |
| Total | 100% | 100% | 100% | 100% | 100% | 100% |

Of the owned units, 88.7 percent are owned by one person (83.0 percent by the household head, 3.1 percent by the spouse, 2.3 percent by one of the parents of the head of household and 0.3 percent by another household member). 11.3 percent of the owned units are jointly owned.

Of the owners, 49.3 percent indicate that they have a final contract of their current housing registered at the Real Estate Registrar while 9.9 percent say they have sale contracts ruled valid and binding in court then registered at Real Estate Registrar.

A very large majority, 92.4 percent, of households are not worried about the possibility of being evicted from their housing. 1.9 percent say they do not know if that is possible, and 5.7 percent acknowledge it as a possibility.

4.8 REGIONAL COMPARISONS

How do the housing stock characteristics described above for urban Egypt vary across the different regions in terms of: housing unit types, sizes, amenities, improvements, etc..? Tables from 4.14 to 4.18 assemble and display key housing stock variables which allow for rapid comparisons among the five regions.

In general, the main findings for urban Egypt repeat themselves throughout the regions. That is, the vast majority of households live in one apartment or more in a walk-up building. Most households live in housing units of area less than 90 m². About one third of households expressed the need for home repairs. A significant percentage of households characterized their neighborhood as informal. In spite of these moderate conditions of living, the vast majority of households are satisfied with their housing.

However, there are some significant variations from the norm. In particular, urban Upper Egypt exhibits housing stock characteristics which in many ways set it apart from the national urban averages. For example, as shown in Table 4.14, urban Upper Egypt has the lowest percentage of households living in one or more apartments in walk-up building (76 percent versus 87.6 percent nationally).

Table 4.14: Regional Variations: Housing Unit Types

| Item of Comparison | Greater Cairo | Alex | Canal | Delta | Upper Egypt | Urban Egypt |
|---|---------------|------|-------|-------|-------------|-------------|
| % of Households Living in One Apartment or More in Walk-up Building | 92.5 | 90.5 | 84.7 | 87.5 | 76.0 | 87.6 |
| % of Households Living in Separate House or Villa | 0.8 | 2.9 | 4.2 | 7.1 | 3.4 | 3.2 |
| % of Households Living in Rural Houses | 0.6 | 2.7 | 8.4 | 3.7 | 15.2 | 4.7 |
| % of Households Living in One Room or More (either separate or in a housing unit) | 6.0 | 3.9 | 2.2 | 1.7 | 5.4 | 4.4 |
| % of Households Living in Precarious Housing | 0.1 | 0.0 | 0.5 | 0.0 | 0.0 | 0.1 |

Also, urban Upper Egypt has the highest percentage of households living in rural houses (15.2 percent versus 4.7 percent nationally) – suggesting that these households were unable to afford housing near the urban centers.

Table 4.15 shows also that urban Upper Egypt has the biggest percentage of households living in housing units of net area less than 90 m² (83.0 percent compared to 76.9 percent nationally). Keeping in mind that urban households in Upper Egypt have the highest average size (4.5 persons), these two findings also show that urban Upper Egypt has the highest average number of persons per room (1.32 versus 1.21 nationally).

Table 4.15: Regional Variations: Housing Unit Sizes and Crowding

| Item of Comparison | Greater Cairo | Alex | Canal | Delta | Upper Egypt | Urban Egypt |
|---|---------------|------|-------|-------|-------------|-------------|
| Median Gross Housing Size | 75.0 | 75.0 | 80.0 | 76.0 | 75.0 | 75.0 |
| Average Gross Housing Size | 81.4 | 80.2 | 83.1 | 82.9 | 75.5 | 80.6 |
| Median Net Housing Size | 70.0 | 68.0 | 73.0 | 70.0 | 65.0 | 70.0 |
| Average Net Housing Size | 74.0 | 72.9 | 76.5 | 75.9 | 68.8 | 73.5 |
| Households Living in Housing Units of Net Area less than 90 m ² (as % of all households) | 76.4 | 76.7 | 75.5 | 73.5 | 83.0 | 76.9 |
| Average Number of Persons per Room | 1.2 | 1.2 | 1.3 | 1.1 | 1.3 | 1.2 |

As shown in Table 4.16, the percentage of urban households in Upper Egypt with a private kitchen is the lowest (88.0 percent versus 93.1 percent nationally). Also, the urban areas of Upper Egypt have the lowest percentage of households with access to sewerage lines (77.4 percent compared to 91.9 percent nationally).

Table 4.16: Regional Variations: Housing Unit Amenities

| Item of Comparison | Greater Cairo | Alex | Canal | Delta | Upper Egypt | Urban Egypt |
|---|---------------|------|-------|-------|-------------|-------------|
| % of Households with Private Kitchen | 92.3 | 91.5 | 97.2 | 95.5 | 88.0 | 93.1 |
| % of Households with Private Bathroom | 94.4 | 96.0 | 98.8 | 98.4 | 95.4 | 94.0 |
| % of Households with Access to Running Water | 98.7 | 99.0 | 97.7 | 97.8 | 97.7 | 98.3 |
| % of Households with Access to Sewerage Lines | 98.0 | 91.9 | 89.5 | 93.2 | 77.4 | 91.9 |

In spite of their moderate living conditions, urban households in Upper Egypt are the most satisfied with their housing (94.7 percent versus 91.3 percent nationally) – as shown in Table 4.17. It may not be surprising to note the urban areas of Upper Egypt have the highest portion of households who characterize their neighborhood as informal (52.8 percent compared to the national average of 41.0 percent).

Table 4.17: Regional Variations: Housing Unit Improvements and Satisfaction

| Item of Comparison | Greater Cairo | Alex | Canal | Delta | Upper Egypt | Urban Egypt |
|---|---------------|------|-------|-------|-------------|-------------|
| % of Households who Renovated their Units in 2007 | 8.7 | 5.2 | 1.8 | 3.1 | 3.8 | 5.6 |
| % of Households Needing Home Repairs | 32.2 | 31.8 | 27.8 | 26.8 | 30.0 | 30.2 |
| % of Households who are Satisfied to Some Extent with their Housing | 89.9 | 88.3 | 90.6 | 93.2 | 94.7 | 91.3 |
| % of Households who Characterized their Neighborhood as Informal | 43.5 | 34.4 | 23.5 | 36.2 | 52.8 | 41.0 |

Conversely, it can be said that the housing stock of Greater Cairo has totally different characteristics. Greater Cairo and Alexandria, which are by far the largest urban agglomerations in Egypt, have the highest portion of households living in one or more apartments in walk-up building (92.5 percent and 90.5 percent respectively versus 87.6 percent nationally).

Meanwhile, Greater Cairo has the highest percentage of households living in one room or more, either separate or inside a housing unit (6.0 percent versus 4.4 percent nationally) – suggesting that this is the consequence of the high cost of dwellings and the distorted housing rental market. Greater Cairo has a high portion of households who characterized their neighborhoods as informal areas (43.5 percent compared to 41 percent nationally).

Again, Greater Cairo and Alexandria are similar in their housing stock characteristics as they have the lowest percentage of households who are satisfied to some extent with their housing – as shown in Table 4.17. Also, urban households in these two regions, Greater Cairo and Alexandria, expressed the most need for home repairs when compared to other regions.

Data in Table 4.18 show that Greater Cairo and Alexandria are similar in the prevalence of old law rental as a tenure type within the housing stock. Conversely, ownership and gift-housing are the dominant tenure types in urban Delta as well as in urban Upper Egypt.

Table 4.18: Regional Variations: Housing Tenure Status

| Item of Comparison | Greater Cairo | Alex | Canal | Delta | Upper Egypt | Urban Egypt |
|------------------------------|---------------|-------------|-------------|-------------|-------------|-------------|
| Old Law Rental (%) | 39.3 | 37.6 | 11.5 | 14.8 | 12.2 | 26.9 |
| New Law Rental (%) | 10.2 | 6.6 | 9.7 | 8.1 | 8.0 | 8.8 |
| Government Rental (%) | 0.6 | 0.5 | 0.1 | 1.5 | 1.1 | 0.8 |
| Furnished Rental (%) | 0.0 | 0.2 | 0.1 | 0.0 | 0.0 | 0.0 |
| Ownership (%) | 33.0 | 43.1 | 36.0 | 57.6 | 56.6 | 44.4 |
| Purchase from Government (%) | 4.5 | 2.6 | 33.0 | 1.8 | 1.0 | 4.7 |
| Gift (%) | 10.3 | 7.3 | 4.2 | 15.3 | 21.0 | 12.6 |
| In-kind privilege (%) | 2.1 | 1.6 | 3.8 | 0.9 | 0.1 | 1.5 |
| Others (%) | 0.0 | 0.4 | 1.6 | 0.0 | 0.0 | 0.2 |
| Total | 100% | 100% | 100% | 100% | 100% | 100% |

CHAPTER 5: HOUSING MARKET BEHAVIOR

5.1 INTRODUCTION

Chapters 3 and 4 gave an up-to-date view of urban Egypt's current housing stock and also profiled its households. This provides a snapshot of the existing housing situation but it tells little about how housing units are actually exchanged or acquired through market mechanisms, who the main suppliers and demanders currently are, and how markets are segmented. Questions such as these are answered in this chapter.

Data concerning the housing market in urban Egypt are analyzed in terms of housing purchase and rental systems as well as other forms of exchange. All data are drawn from the TAPR II 2008 EHS. All sampled households were asked if they had moved into the current units over the last five years (2003-2008). 4,062 out of 21,580 households (just under 19 percent of the total) responded affirmatively and were then asked to respond to a subset of questions. This allowed an analysis of housing flows and generated results which throw considerable light upon housing market demand, supply, and dynamics over the last five years.

For housing purchased over the last five years, respondents were asked about housing prices and payment arrangements, including down payments and installments. They were also asked about the source of financing they used. Data on prices paid for housing were correlated with household income. All price data are in current prices.

Housing rental markets in urban Egypt were also analyzed using questionnaire responses. Rents under Law No. 4 of 1996 (the New Rent Law) and controlled rentals (under the Old Rent Law) were both covered. A particular focus was put on recent housing unit transactions under the New Rent Law, since this form of exchange in the market is becoming more important.

Housing provision for the units acquired, purchased or rented during the past five years was reviewed, allowing an examination of housing options in the market.

An indication of current property values of all types of housing units were obtained by asking residents about the perceived market values of the units in which they reside.

Finally, regional comparisons of urban Egypt data have been reviewed to identify significant variations.

5.2 GENERAL HOUSING DYNAMICS

5.2.1 RESIDENTIAL MOBILITY

In urban Egypt, it can be inferred from the Survey that roughly 3.5 percent of households move every year, and that 18.8 percent move within five years. While such mobility rates are low when compared to those in Western cities, they are significant considering that a large portion of the housing stock is under rent control (27 percent) and is effectively locked out of most processes of housing exchange.

Over the last five years, the number of households in urban Egypt who moved each year has varied, and that there appears to be a significant drop in 2007 and 2008:

| | |
|-------------------|-----------------------|
| 2003 | 921 households |
| 2004 | 730 households |
| 2005 | 817 households |
| 2006 | 789 households |
| 2007 | 509 households |
| 2008 (first half) | <u>296 households</u> |
| | 4,062 households |

5.2.2 LOCALIZED MOVEMENTS BETWEEN HOUSING UNITS

Table 5.1 shows the previous residences of surveyed household heads who moved to the present housing unit, both overall (N=16,317 valid responses) and in the last five years (N=3,325 valid responses). As can be seen, in both cases moves tend to be very local, with 77.4 percent of all surveyed household heads moving within the same neighborhood or same city, and 80.1 percent of household heads moving within the same neighborhood or city within the last five years.

Table 5.1: Previous Residences of Surveyed Household Heads

| Previous Residence | All Household Heads | | Household Heads Moving in Last 5 years | |
|---|---------------------|-------------|--|-------------|
| | Count | Percentage | Count | Percentage |
| In same district (shiakha/qism) | 7,968 | 48.8 | 1,672 | 50.3 |
| In same city/markaz | 4,669 | 28.6 | 990 | 29.8 |
| Another city/markaz in same governorate | 1,266 | 7.8 | 254 | 7.6 |
| In rural area of same governorate | 263 | 1.6 | 54 | 1.6 |
| In other city/markaz in another governorate | 1,542 | 9.5 | 271 | 8.2 |
| In rural area of another governorate | 54 | 3.3 | 71 | 2.1 |
| Outside Egypt | 68 | 0.4 | 13 | 0.4 |
| Total | 16,317 | 100% | 3,325 | 100% |

Other data reveal the extremely local nature of moves. Of household members who moved out the surveyed households in the last five years (N=1,250), 55.6 percent stayed within the same district or neighborhood and another 23.5 percent stayed in the same city or markaz. Only 10.7 percent moved to another governorate, and only 1.0 percent moved outside Egypt.²⁰

²⁰ Of the 10.7 percent who moved to another governorate, a significant portion were those who moved between one of the three governorates inside Greater Cairo.

5.2.3 TENURE STATUS AND INCOME OF THOSE WHO MOVED AND MARKET VERSUS NON-MARKET SHARES

Table 5.2 shows the form of tenure of the 4,062 households who moved in the last five years. Of these, New Rent Law was by far the most frequent form of tenure of the acquired housing units at 35.0 percent, followed by Ownership by Purchase on Market at 17.7 percent. Together these represent 52.7 percent of all moves, and these can all be considered "market exchanges". Other market exchanges would include Furnished Rent, at just 0.2 percent, so that it can be inferred that 52.9 percent of all exchanges took place through the market.

Table 5.2: Distribution of Households Moving in Last Five Years by Tenure of Acquired Unit

| Type of Tenure | No. of Households | Percent |
|---------------------------------------|-------------------|-------------|
| Old Rent Law | 379 | 9.3 |
| New Rent Law | 1,420 | 35.0 |
| Government Rent | 26 | 0.6 |
| Furnished Rent | 7 | 0.2 |
| Ownership by Purchase on Market | 717 | 17.7 |
| Ownership by Purchase from Government | 178 | 4.4 |
| Ownership by Construction | 347 | 8.5 |
| Ownership by Inheritance | 284 | 7.0 |
| Ownership (Other) | 11 | 0.3 |
| A Gift | 521 | 12.8 |
| In-Kind Privilege | 152 | 3.7 |
| Others | 20 | 0.5 |
| Total | 4,062 | 100% |

"Non-market exchanges" include Government Rent, Ownership by Purchase from Government, Ownership by Construction (land purchase and housing unit development), and Ownership by Inheritance, Gift, and In-Kind Privilege²¹ which, together, represent 37.8 percent of all moves in the last five years.

Old Rent Law moves should also be considered non-market exchanges. Surprisingly, 379 households (or 9.3 percent) found units under the Old Rent Law, even though technically this form of rental was abolished in 1996.²² Thus, overall 47.1 percent of moves in the last five years did not exchange through market mechanisms. This is a surprisingly high incidence of unit transfers that do not take place on the open market, but rather through state bureaucracy, personal relations and/or rewards.

Of the units exchanged through the market (N=2,144), rentals are almost exactly double that of purchase (66.2 versus 33.8 percent respectively). Even if Ownership by Purchase from

²¹ Government rents as well as Old Law rents are below market rates, that is why they are considered non-market exchanges. Ownership by Purchase from Government is considered also as a non-market exchange, as units provided by the Government for Ownership are heavily subsidized; conditions are put on who qualifies; and the selection of beneficiaries is lengthy, bureaucratic and rather opaque. Ownership by construction is not a market exchange as well, as the final product is not exchanged itself. Ownership by Inheritance, Gift, and In Kind Privilege are non-market exchanges due to the fact that they take place without direct compensation.

²² There are two plausible explanations for this. First, some Old Rent contracts are being made (and back dated) for those who paid heavy key money payments, also called "tanazul". Secondly, some landlords are issuing Old Rent contracts to relatives in order to reduce declared rental income and thus to avoid paying personal income taxes on this income.

Government were to be considered a form of market exchange, rentals would still be predominant (at 61.5 percent of the total). And, if Old Rentals were also considered a form of market exchange, the predominance of rentals would increase to 67 percent of the total of market exchanges.

Market exchanges are dealt with in detail in Sections 5.3 and 5.4 below.

Table 5.3 shows the distribution of households who moved in the last five years (N=4,062) into income quintiles, by tenure type. Overall, households were represented almost equally in each household income quintile, with a slight under representation of the lowest (poorest) quintile and a slight over representation of the highest (richest) quintile. However, in terms of tenure, there are significant variations.

For example, New Law Rentals are well spread over the four higher quintiles but under-represented in the lowest (poorest) quintile. "Ownership" (which includes inheritance and construction ownership) is the tenure category which is, except for the 5th quintile, best spread equally over all quintiles. "Gift" tenure is also well distributed into all quintiles, but with a slight concentration in the middle and lower two quintiles.

Interestingly, Purchase from Government, which offers subsidized units under easy installment payment arrangements and is aimed at limited-income families, appears to be enjoyed almost equally by all income quintiles, with a slight concentration in the middle three quintiles and, ironically, an under-representation among households in the lowest income quintile.

Table 5.3: Tenure Types for Those Who Moved in the Last Five Years by Income Quintiles

| Tenure Types | 1 st Quintile % | 2 nd Quintile % | 3 rd Quintile % | 4 th Quintile % | 5 th Quintile % | Total | |
|---------------------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|------------|--------------|
| Old Rent Law | 51 | 76 | 81 | 93 | 78 | 379 | |
| New Rent Law | 183 | 292 | 310 | 312 | 323 | 1,420 | |
| Government Rent | 5 | 5 | 9 | 5 | 2 | 26 | |
| Furnished Rent | 2 | 1 | 2 | 1 | 1 | 7 | |
| Ownership* | 258 | 252 | 220 | 265 | 364 | 1,359 | |
| Ownership by Purchase from Government | 22 | 51 | 33 | 43 | 29 | 178 | |
| Gift | 104 | 127 | 116 | 92 | 82 | 521 | |
| In-Kind Privilege | 82 | 26 | 12 | 17 | 15 | 152 | |
| Others | 4 | 6 | 4 | 4 | 2 | 20 | |
| Total | % | 17.5 | 20.6 | 19.4 | 20.5 | 22 | 100% |
| | N | 711 | 836 | 787 | 832 | 896 | 4,062 |

* Ownership includes: Ownership by Purchase on Market, Ownership by Construction, Ownership by Inheritance, and Ownership (Other)

5.2.4 NEW LAW RENTAL MARKETS

Survey data show that New Law Rental markets in urban Egypt are very large and are expanding rapidly.

Although New Rental Law tenure²³ only represented 1,896 cases (or 8.8 percent) of the total households surveyed in urban Egypt (N=21,580), this proportion is very significant since the New Rental Law has only been on the books since 1996. As can be seen from Table 5.2 above, of those households who moved in the last five years (N=4,062), New Law Rentals represent by far the largest tenure category at 35.0 percent. This eclipses all forms of purchase (together 22.1 percent), and as mentioned in the preceding section, represents 66.5 percent of all moves which represented exchanges through housing markets.²⁴ Thus the New Rent form of market exchange has become dominant in urban Egypt in a single decade and can be expected to become even more so.

The emerging importance of New Rents in housing markets in urban Egypt is underscored by the fact that of the 1,250 cases of household members who had moved away from the surveyed households over the last five years, over half concluded New Rent contracts in their new dwellings. The full breakdown is as follows:

| | |
|---------------------------------|-------------|
| Rent (practially all New Rents) | 50.9% |
| Owned/Purchased | 25.6% |
| As Gift | 23.2% |
| In-Kind Privilege | <u>0.3%</u> |
| | 100% |

5.2.5 HOUSING MARKET INFORMATION

Information on housing markets is obtained mainly through informal/casual means.

The most common methods used to search for housing were consulting relatives, friends and neighbors. This can be seen from Table 5.4, which shows the means of search used by households who moved in the last five years (N=4,062).

Table 5.4: Means Used to Search for Housing

| Means | Percent |
|--|-------------|
| Through relatives/friends | 59.6 |
| Asking neighbors | 16.0 |
| Asking co-workers | 5.1 |
| Through advertisements | 0.6 |
| Through governmental advertisements | 2.5 |
| Through real estate agents | 14.6 |
| Alternative housing due to governmental evacuation order | 1.4 |
| Others | 0.2 |
| Total | 100% |

Similar results are obtained by looking at the means of search used by those currently looking for housing (N=1,735), as is explained in Chapter 6 below.

²³ The new housing law issued in 1996 decontrolled new rents arrangements, allowing landlords to set market prices for new or vacant units under time-bound contracts.

²⁴ This proportion would be even higher if it is assumed that some of the Old Rent contracts were actually mimicking New Rent market exchanges.

From this data it can be concluded that the overwhelming majority of search methods depend on word of mouth – i.e. searching through relatives, friends, neighbors and co-workers. In other words, housing market information tends to be local, informal, and not dominated by the media. In fact, only 3.1 percent of the units which were exchanged over the last five years in urban Egypt were found through newspapers and advertisements. And it should be pointed out that "real estate agents" (14.6 percent of search means) are mainly informal brokers or *simsars*.

5.2.6 MARKETS DISTORTION AND RENT CONTROL

Housing markets in urban Egypt remain distorted due to rent control.

In urban Egypt, 26.9 percent of all surveyed households (N=1,121) enjoyed fixed rents under the Old Rent Law. Not only is this significant portion of the housing stock effectively excluded from market exchanges, the rents being paid under the Old Rent Law have no relation to market prices. This can be seen by looking at Table 5.5, which compares rents paid under the New Rent Law (N=1,896), where market forces are in play, with those paid under the Old Rent Law (N=5,807).

Table 5.5: Distribution of Tenants According to Actual Rent Paid Under Old and New Laws as of 2008

| Rent paid per month (LE) | Contracts under Old Law | | Contracts under New Law | |
|--------------------------|-------------------------|-------------|-------------------------|-------------|
| | Count | Percent | Count | Percent |
| Less than 10 | 1,124 | 19.4 | 2 | 0.1 |
| 10– Less than 50 | 2,403 | 41.4 | 15 | 0.8 |
| 50– Less than 100 | 1,312 | 22.6 | 68 | 3.6 |
| 100– Less than 150 | 563 | 9.7 | 258 | 13.6 |
| 150– Less than 200 | 263 | 4.5 | 411 | 21.7 |
| 200– Less than 300 | 117 | 2.0 | 623 | 32.9 |
| 300– Less than 400 | 21 | 0.4 | 308 | 16.2 |
| 400– Less than 500 | 2 | 0.0 | 74 | 3.9 |
| 500– Less than 1,000 | 2 | 0.0 | 110 | 5.8 |
| 1,000 and above | 0 | 0.0 | 27 | 1.4 |
| Total | 5,807 | 100% | 1,896 | 100% |

The differences are striking. Whereas 19.4 percent of Old Renters paid less than LE 10 per month, practically none of New Rentals paid this amount (0.1 percent). And whereas a majority of Old Rental households (60.8 percent) paid less than LE 50 per month, only 0.9 percent of New Rental households enjoyed such low rents. The median rent for Old Renters was LE 30 per month whereas the median rent for New Renters was roughly LE 200 per month – more than six times the median Old Rent.

5.2.7 CHARACTERISTICS OF INFORMAL HOUSING

Informal housing is a significant portion of housing exchange and exhibits particular characteristics.

As mentioned above in Section 2.3 above, 41.0 percent of housing units surveyed in urban Egypt are considered by inhabitants to be located in informal (aashwa'i) neighborhoods. These inhabitants are poorer on average, as was shown in Table 2.8 above.

Table 5.6 shows the breakdown of the tenure of units exchanged in the last five years according to whether they were in formal or informal neighborhoods. As can be seen, new rents are very popular in both formal and informal areas and represent about the same portion of total exchanges in both. However, in formal areas there are a significantly higher percentage of purchases on the market than in informal areas. Also, ownership through government, and in kind privilege are more frequent in formal areas (as would be expected). On the other hand, in informal areas old rent tenure, ownership by construction, and gift tenure are relatively more prominent than in formal areas.

Table 5.6: Percentage Distribution of Tenure Types in the Last Five Years

| Tenure | Informal (N=1,609) | Formal (N=2,453) | Total (N=4,062) |
|--|--------------------|------------------|-----------------|
| Old rent law | 12.6 | 7.2 | 9.3 |
| New rent law | 37.4 | 33.3 | 35.0 |
| Ownership by purchase | 12.1 | 21.3 | 17.7 |
| Ownership through government | 2.8 | 5.4 | 4.4 |
| Ownership by construction | 10.4 | 7.3 | 8.5 |
| Ownership by Inheritance | 7.0 | 7.0 | 7.0 |
| Gift | 15.7 | 11.0 | 12.8 |
| In kind privilege | 1.0 | 5.5 | 3.7 |
| Other (including govt and furnished rent) | 1.0 | 2.0 | 1.6 |
| Total | 100% | 100% | 100% |
| Percentage Market Exchange (New Rents & Purchase) | 49.5 | 54.6 | 52.6 |

Characteristics of the units purchased in the last five years vary considerably between informal and formal residential neighborhoods as will be discussed in detail in Section 5.4 below. In particular, the prices of these units (in total and in square meter terms) were significantly lower.

Also, it will be shown in detail in Section 5.3 that the median monthly rent under New Rent contracts for housing units acquired by renters in informal residential areas was slightly lower than median rents in formal residential areas.

5.3 HOUSING RENTS AND RENTAL SYSTEMS UNDER NEW RENT LAW

As previously noted, 1,420 Survey respondents acquired rental units in the last five years under the terms of the New Law, which represented 66.5 percent of all housing market transactions in urban Egypt during the period. With this relatively large sample size, it is possible to uncover salient features of the New Rent regime, and for this reason the Survey asked a number of questions about rental arrangements under the New Rental Law.

First, of the 1,420 households who rented under the New Law in urban Egypt from 2003-2008, practically all had written contracts (94.3 percent), and of these, 96.4 percent of

households had kept a copy of the contract. However, only in 15.2 percent of cases were the contracts registered or endorsed at the Real Estate Registrar (*shahr el aqari*).

As can be seen from Table 5.7, the duration of New Rent contracts both in total and for those concluded in the 2003-2008 period varied considerably, but most tended to be of short duration. For New Rent contracts in the last five years, 41.7 percent of contracts had a length of three years or less. The single most popular period was five years, which represented 32.2 percent of the total. Only 16.2 percent of contracts were for ten years or more, even though long leasehold arrangements were expressed as desirable by demanders (See Chapter 6). The average rental period was 8 years but the median was only 5 years.

Table 5.7: Length of Rental Period

| Years | All New Rent Households | | New Rent Households in last 5 years | |
|--------------|-------------------------|-------------|-------------------------------------|-------------|
| | Count | Percent | Count | Percent |
| ≤ 1 | 234 | 12.3 | 188 | 13.2 |
| 2 | 248 | 13.1 | 210 | 14.8 |
| 3 | 234 | 12.3 | 195 | 13.7 |
| 4 | 61 | 3.2 | 55 | 3.9 |
| 5 | 547 | 28.8 | 459 | 32.2 |
| 6 | 34 | 1.8 | 31 | 2.2 |
| 7 | 25 | 1.3 | 21 | 1.5 |
| 8 | 25 | 1.3 | 14 | 1.0 |
| 9 | 31 | 1.6 | 18 | 1.3 |
| 10 | 216 | 11.4 | 111 | 7.8 |
| 12 | 5 | 0.3 | 0 | 0.0 |
| 13 | 5 | 0.3 | 0 | 0.0 |
| 15 | 46 | 2.4 | 18 | 1.3 |
| 18 | 1 | 0.1 | 0 | 0.0 |
| 20 | 33 | 1.7 | 14 | 1.0 |
| 25 | 5 | 0.3 | 4 | 0.3 |
| 30 | 5 | 0.3 | 0 | 0.0 |
| 33 | 1 | 0.1 | 1 | 0.1 |
| 36 + | 76 | 4.0 | 47 | 3.3 |
| Unlimited | 64 | 3.4 | 34 | 2.4 |
| Total | 1,896 | 100% | 1,420 | 100% |
| Mean | 10 | | 8 | |
| Median | 5 | | 5 | |

For those who responded to the question regarding the length of New Rent contracts (N=1,896), in 72.4 percent of new rent cases in the last five years the landlord of the rented unit was the owner of the building (mainly who built it), and in the remaining cases the landlord was the owner of the dwelling unit alone.

In 32.0 percent of all New Rent contracts in the last five years there was a clause in the rental contract which allowed for an annual increase in the rental amount. In these cases (N=454), the most common rent escalation was 10 percent per annum (35.7 percent), followed by 5 percent per annum (31.1 percent), and 20 percent per annum (4.6 percent). However, in 14.1 percent of cases the increase was from only 1 to 4 percent per annum.

When the 2003-2008 New Rent tenants (N=1,420) were asked what were their plans at the end of the contract, 49.9 percent of tenants aimed to reach an agreement with the owner of the unit to renew the contract, and 21.5 percent aimed to search for another unit to rent. Another 24.2 percent had no plans, and only 3.3 percent intended to purchase a unit elsewhere.

Only 8.3 percent of all new rent tenants in the last five years paid key money (*khilu rigl*) upon renting the unit.

For New Rentals in the last five years, 32.5 percent of respondents (N=476) stated that they paid advance payment on the entire rental amount. This is understood to be quite common, where the monthly rent for the contractual period is agreed, and the landlord then asks for between 25 and 50 percent of the total rental payment stream to be paid up front, and the actual monthly rent is then reduced proportionately. Of those respondents who paid advance payments, 38.4 percent paid LE 1,000 or less, 16.8 percent paid between LE 1,001 and LE 2,000, and 24.2 percent paid between LE 2,001 and LE 5,000.

For New Rentals in the last five years, in all but one case it is stated that "insurance" was paid.

The values of monthly rents currently paid by New Rent tenants²⁵ in urban Egypt are given in Table 5.5 above. There is considerable clustering of rents in the LE 150 to 300 range (54.6 percent of the total), as the distribution of rents shows:

| | |
|---|------------------------------------|
| Monthly rent less than LE 100 | 4.5 percent of new rent contracts |
| Monthly rent less than LE 100 to LE 149 | 13.6 percent of new rent contracts |
| Monthly rent less than LE 150 to LE 199 | 21.7 percent of new rent contracts |
| Monthly rent less than LE 200 to LE 299 | 32.9 percent of new rent contracts |
| Monthly rent less than LE 300 to LE 399 | 16.2 percent of new rent contracts |

Only 7.2 percent of new rent contracts are valued at over LE 500 per month.

Table 5.8 presents median incomes and rents paid by tenants under the New Rent Law who moved in the last five years (N=1,419). It allows a calculation of rent-to-income ratios²⁶ for this group. As can be seen, in the third income quintile (median monthly income of LE 1,000, median monthly rent of LE 200 per month) tenants are paying 20.0 percent of their income on rent. This ratio is lower for the two highest income quintiles, at 18.4 percent and 15.4 percent, and higher for the lowest two quintiles, at 22.2 percent and 24 percent. Such ratios imply that New Law rents are, in relative terms, slightly more of a burden on poorer households, but that all ratios are well within international norms.

²⁵ Annual rent paid is the nominal value on the rental contract and thus includes any advance payments.

²⁶ The rent-to-income ratio is defined as the ratio of the median annual rent of a dwelling unit and the median annual household income. Source: Urban Indicators Guidelines, Monitoring the Habitat Agenda and the Millennium Development Goals, United Nations Human Settlements Programme, August 2004, p.24.

Table 5.8: Rent to Income Ratios for New Rent Contracts in the Last Five Years, by Income Quintiles

| Item | | 1 st Quintile | 2 nd Quintile | 3 rd Quintile | 4 th Quintile | 5 th Quintile | Overall Sample |
|-----------------------------|----|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|----------------|
| Count | | 183 | 292 | 309 | 312 | 323 | 1,419 |
| Median HH annual income | LE | 7,500 | 9,600 | 12,000 | 14,400 | 23,400 | 12,000 |
| Median annual rent | LE | 1,800 | 2,130 | 2,400 | 2,640 | 3,600 | 2,400 |
| Annual rent to income ratio | % | 24 | 22.2 | 20.0 | 18.3 | 15.4 | 20.0 |

The median monthly rent under New Rent contracts for housing units acquired by renters in informal residential areas was LE 200 per month, slightly lower than median rents in formal residential areas (LE 250 per month).²⁷

A look at the year that surveyed households entered into New Rent contracts shows a steady increase in volume over time in urban Egypt. Only 13 contracts were concluded in 1997, rising to 60 contracts in 2000, 136 in 2002, 207 in 2004, and 291 in 2006. In 2007 there was a slight dip to 265 contracts. Annualized, the number in 2008 was roughly 208 contracts. This downtrend in 2007 and 2008 reflects the decreasing activity of overall housing exchanges as pointed out in Section 5.2.1 above.

5.4 HOUSING PURCHASE SYSTEMS AND PRICES 2003-2008

As mentioned previously, in urban Egypt 4,062 households surveyed (or 18.8 percent of the total) had moved to their current unit in the past five years. Of these, 22.1 percent (N=895) purchased their units either on the market or from the government.

Of responding households who purchased their units during the past five years, 64.1 percent paid in full and 35.9 percent paid in installments, as can be seen from Table 5.9. Interestingly, those paying in installments were better represented in the three middle income quintiles (approaching half of all purchases), whereas paying in cash was more represented in the first (poorest) and fifth (richest) quintiles (at three-fourths of all purchases).

Table 5.9: Mode of Purchase by Income Quintile (Percent)

| Modalities | 1 st Quintile N=111 | 2 nd Quintile N=128 | 3 rd Quintile N=111 | 4 th Quintile N=170 | 5 th Quintile N=273 | Total N=793 |
|---------------------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|----------------|
| Purchased in full | 76.6 | 48.4 | 56.8 | 55.3 | 74.7 | 64.1 |
| Purchased in installments | 23.4 | 51.6 | 43.2 | 44.7 | 25.3 | 35.9 |
| Total | 100% | 100% | 100% | 100% | 100% | 100% |

²⁷ Advance payment seems to have been required by landlords in both formal and informal sectors, as the percentage of renters making these payments is similar in both sectors.

Table 5.10 presents the median price for units bought by households in each quintile. As can be seen, median prices ranged from LE 33,480 to 100,000. The median price-to-income ratio in each quintile varies between 3.3 and 4.3, with a general decline in the ratio as one moves towards higher income quintiles.

Table 5.10: Prices Paid to Purchase Units Relative to Annual Income, by Quintile for Those Purchasing in the Last Five Years

| Item | | 1 st Quintile | 2 nd Quintile | 3 rd Quintile | 4 th Quintile | 5 th Quintile | Overall Sample |
|---|--------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|----------------|
| Value of purchased unit (LE) | Median | 33,480 | 39,670 | 48,000 | 54,900 | 100,000 | 54,000 |
| HH annual income (LE) | Median | 7,800 | 10,200 | 12,600 | 16,800 | 30,000 | 14,400 |
| Ratio of unit price to HH annual income | | 4.3 | 3.9 | 3.8 | 3.3 | 3.3 | 3.8 |

As can be seen from Table 5.11, characteristics of the units purchased in the last five years (N=793 valid responses) varies considerably between informal and formal residential neighborhoods. First of all, the table shows that only 28.2 percent of all purchases took place in informal areas (compared to 41.0 percent of surveyed households living in informal areas), implying that purchases of units is much less common in informal areas than formal areas.²⁸

Table 5.11 also shows that there are dramatic price differences. The median price of purchased units in the last five years in informal areas was LE 40,000, while the median price in formal areas was twice this at LE 80,000. In price per square meter terms, informal areas were considerably cheaper (at a median of LE 543 per m² versus LE 741 per m² in formal areas). And the median size of units purchased in informal areas is only three-fourths that of units purchased in formal areas (72 m² versus 95 m²). For those paying by installments (only 36 percent of total purchasers), the median down payment was LE 13,000 in informal areas versus LE 20,000 in formal areas.

Table 5.11: Prices and Payment Models in the Formal and Informal Sectors in the Last Five Years

| Item | Informal sector N=224 | Formal sector N= 569 |
|--|--------------------------|-------------------------|
| % of Purchasers | 28.2 | 71.8 |
| Median price in LE | 40,000 | 80,000 |
| Median price per m ² in LE | 542.9 | 740.7 |
| Median size of units in m ² | 72 | 95 |

The Survey asked questions of those purchasing units in the last five years concerning the sources of funds. The results are presented in Table 5.12 for purchasers who responded (N=793 valid responses). The single greatest source was of savings from regular income (35.7 percent partially and 28.8 percent totally). The other major source mentioned was of households selling other property or assets (30.8 percent partially and 19.0 percent totally).

²⁸ Some 20 percent of purchases were from government, and by definition all government housing is in formal areas, thus this may partly explain the higher incidence of purchase in formal areas.

Surprisingly, only a total of 13.7 percent of purchasers relied on any savings from working abroad, and in only 5 percent of cases did such a source cover the full cost of unit purchase.²⁹

Table 5.12: Sources of Financing for Housing in the Last Five Years

| Sources of Financing (Multiple Response) | Distribution of Households (%) According to Share of Price/Down Payment Paid by Source of Finance | | | | |
|---|---|--------|--------|---------------|---------|
| | Totally | 70–99% | 50–69% | Less than 50% | Total % |
| Savings from regular income | 28.8 | 2.9 | 19.3 | 13.7 | 64.5 |
| Savings from working abroad | 5.0 | 1.5 | 3.9 | 3.3 | 13.7 |
| Selling property/assets | 19.0 | 6.9 | 15.0 | 8.8 | 49.8 |
| Contributions from relatives | 1.0 | 0.3 | 3.7 | 5.9 | 10.8 |
| Loans from individuals | 0.0 | 0.3 | 0.8 | 3.7 | 4.7 |
| Loans from work place | 0.3 | 0.3 | 1.4 | 1.0 | 2.9 |
| Loans from bank | 0.1 | 0.1 | 0.6 | 0.8 | 1.6 |

In Table 5.13 cases of cash housing unit purchases and their prices recorded by the Survey in the 2003-2008 period are listed.³⁰ There are a total 511 cases. These cases represent real market exchange information (prices and prices per m² distributed by year and formal/informal sector) which is very hard to come by in Egypt.

An interesting feature of Table 5.13 is that the overall the number of unit purchases per year declined steadily, from 147 cases in 2003 to only 50 cases in 2007 (and by inference, also only 50 cases in 2008). Another feature of Table 5.13 is that the median price per m² seems to be increasing by year. It rose from LE 667 per m² in 2003 to LE 938 per m² in 2008. Conversely, the median size of purchased units declined significantly over the last five years, from 100 m² in years 2003 and 2004 to 75 m² in 2007 and 2008. (The average or mean size of purchased units also declined steady over the same period.)

Throughout the period, both the mean and median size of units purchased is much smaller in informal areas than formal areas, and the mean price per m² is in general much higher in formal areas than in informal areas. For example, over the whole 2003 – 2008 period the median size of units purchased in formal areas was 100 m² versus 75 m² for units purchased in informal areas. And the median price for units purchased in formal areas was LE 1,012 per m² versus LE 712 per m² for units purchased in informal areas.

²⁹ Many housing market observers consider demand from expatriate Egyptians to be an important target for house marketing campaigns. This may be so for the top end of the market, but in terms of national averages such demand is very small.

³⁰ Cash purchases represented 57 percent of the total purchases in the last five years. The rest were purchases by installments.

Table 5.13: Details of Purchased Units 2003-2008 by Year (Cash Purchase)

| Year | Zone | No. of Cases | Mean Unit Size (m ²) | Median Unit Size (m ²) | Mean Price (LE/m ²) | Median Price (LE/m ²) |
|-------------------|--------------------|--------------|----------------------------------|------------------------------------|---------------------------------|-----------------------------------|
| 2003 | Formal | 104 | 117 | 101 | 996 | 845 |
| | Informal | 43 | 81 | 75 | 492.0 | 462.0 |
| | Total | 147 | 107 | 100 | 848 | 667 |
| 2004 | Formal | 86 | 113 | 108 | 924 | 675 |
| | Informal | 24 | 76 | 75 | 730.0 | 548.0 |
| | Total | 110 | 105 | 100 | 881 | 640 |
| 2005 | Formal | 74 | 109 | 100 | 1,146 | 667 |
| | Informal | 23 | 79 | 80 | 539 | 500 |
| | Total | 97 | 102 | 90 | 1,002 | 640 |
| 2006 | Formal | 63 | 101 | 100 | 1,073 | 938 |
| | Informal | 19 | 66 | 65 | 750 | 667 |
| | Total | 82 | 93 | 90 | 998 | 854 |
| 2007 | Formal | 25 | 98 | 90 | 881 | 700 |
| | Informal | 25 | 83 | 80 | 1,103 | 660 |
| | Total | 50 | 90 | 83 | 992 | 696 |
| 2008 (first half) | Formal | 16 | 85 | 90 | 949 | 923 |
| | Informal | 9 | 69 | 65 | 995 | 1,000 |
| | Total | 25 | 80 | 75 | 965 | 938 |
| 2003-2008 | Formal | 368 | 109 | 100 | 1,012 | 748 |
| | Informal | 143 | 77 | 75 | 712 | 538 |
| | Grand Total | 511 | 100 | 95 | 928 | 692 |

5.5 CURRENT HOUSING PROVIDERS

By looking at the origins and sources of housing units (which have been moved into over the last five years), it is possible to gain insights into the nature of housing supply and production in urban Egypt. This is done in the following paragraphs, looking first at the supply of housing for ownership and then looking at the supply of housing for rent.

Housing Supply for Ownership

Of the housing units purchased for ownership over the last 5 years (N=895), 62.1 percent (N=556) were purchased from the building owner/developer and 37.9 percent were purchased from the previous owner of the unit (sometimes called the secondary market).

Table 5.14 shows the breakdown of housing units which were sold by building owners into type of building owner. The table also draws a comparison between these housing providers of purchased units over the last five years and the suppliers of all purchased units over the whole period of housing stock formation (history).

Table 5.14: Purchased Housing Units Distribution by Type of Building Owner

| Type of Building Owner | History (N=2,276) | In Last Five Years (N=556) |
|--|----------------------|-------------------------------|
| Individual or group of individuals | 47.6 | 56.3 |
| Informal "ahali" developers | 9.7 | 15.1 |
| Formal private sector companies and developers | 4.4 | 4.7 |
| Public Sector Companies | 3.6 | 1.4 |
| Government Bodies | 33.6 | 22.3 |
| Civil Community | 0.9 | 0.0 |
| Other and Don't Know | 0.2 | 0.2 |
| Total | 100% | 100% |

It can be said that over the past five years the government and public sector share of the housing ownership market in urban Egypt was relatively small, representing 23.7 percent of all purchases from building owners and 15.9 percent of all purchases (including the secondary market). It is interesting to note that historically the share of the government and public sector in the ownership market has been much higher, representing 37.2 percent of all units purchased from building owners.

It can also be said that the formal private sector share of housing supply on the market has been extremely small, representing only 4.7 percent of housing units supplied by landlords for purchase during the last five years, and only 2.9 percent of all purchased units in the last five years.

In other words, in the last five years the large majority of units purchased on the market from building owners, 71.4 percent, were purchased from building owners who were individuals or informal "ahali" developers. This further underscores the personal, individualistic and non-corporate nature of housing market supply in urban Egypt.

Such an individualistic or non-corporate nature of housing supply is further underlined by the fact that of all moves into housing units over the last five years, in 8.5 percent of cases this involved Ownership by Construction, i.e. the household itself constructed the unit, sometimes called the "owner-builder" mode of housing production. This represented 27.9 percent of all units which were either purchased on the market or built for ownership. In other words, the owner-builder mode of housing production remains a very significant factor in housing supply in urban Egypt.³¹

It should not be forgotten that non-market acquisition of units for ownership over the last five years is significant – mainly "gift" but also through "inheritance" and "in kind-privilege", as can be seen from Table 5.2. However, such forms of housing unit acquisition for ownership are of little interest in understanding market behavior.

Housing Supply for Rent

In the last five years, of those renting units under the New Law (N=1,420), 71.0 percent were rented from the building owner/developer and 29.0 percent were rented from the owner of the individual unit.

³¹ Historically, the proportion of all units purchased or built which were supplied by the owner-builder mode was a huge 46.8 percent, as can be seen from Table 5.2.

Table 5.15 shows the breakdown of all housing units which were rented from the building owner into type of building owner (N=1,008). The table also draws a comparison between these housing providers of rented units under the New Law over the last five years and the suppliers of all rented units under the New Law within the housing stock since 1996.

Table 5.15: Rented Housing Units Distribution by Type of Building Owner

| Type of Building Owner | History (N=1,370) | In Last Five Years (N=1,008) |
|--|----------------------|---------------------------------|
| Individual or group of individuals | 80.0 | 78.5 |
| Informal "ahali" developers | 18.3 | 18.6 |
| Formal private sector companies and developers | 0.5 | 0.5 |
| Public Sector Companies | 0.1 | 0.2 |
| Government Bodies | 1.7 | 1.6 |
| Other and Don't Know | 0.4 | 0.6 |
| Total | 100% | 100% |

As can be seen from Table 5.15, individuals or informal developers are overwhelmingly the dominant type of building owner who supplies rental housing in urban Egypt, representing a huge 97.1 percent of the total. And individual building owners alone represent 78.5 percent of the total. Government bodies and the formal private sector play an almost non-existent role in housing rental supply, representing only 2.3 percent of all building owners in the last five years who provided rental accommodation. And it should be remembered that virtually all rentals in the last five years who rented from the owner of the individual unit (29.0 percent of all New Law rentals) can be considered as being supplied by individuals. Thus, in total the formal private sector and government account for only 1.6 percent of rental housing supplied on the market in the last five years. Conversely, a very large majority are supplied by individuals (84.7 percent) and 13.2 percent are supplied by informal "ahali" developers.

5.6 HOUSING RENTS AND PRICES COMPARED TO PERCEIVED VALUES

All 21,580 households surveyed in urban Egypt were asked what they believed was the actual current market value of the units they occupy. The average value per unit was LE 80,111 and the median value was LE 60,000. Table 5.16 shows the distribution of these values by intervals. As can be seen, 20.3 percent of all units were valued at less than LE 30,000, and 23.5 percent were valued at between LE 30,001 and LE 50,000. 23.5 percent were valued at between LE 50,001 and LE 75,000. Only 2.4 percent of all units were valued at above LE 300,000.

Table 5.16: Current Value of Occupied Units According to Respondents

| Current Value (LE) | Number of Respondents | Percent |
|--------------------|-----------------------|-------------|
| Less than 10,000 | 1,169 | 5.4 |
| 10,001 – | 1,318 | 6.1 |
| 20,001 – | 1,903 | 8.8 |
| 30,001 – | 1,960 | 9.1 |
| 40,001 – | 3,109 | 14.4 |
| 50,001 – | 5,063 | 23.5 |
| 75,001 – | 4,421 | 20.5 |
| 100,001 – | 1,085 | 5.0 |
| 150,001 – | 582 | 2.7 |
| 200,001 – | 462 | 2.1 |
| 300,001 – | 273 | 1.3 |
| 500,001 + | 235 | 1.1 |
| Total | 21,580 | 100% |

It was possible to calculate the perceived market value of all units surveyed expressed in LE per m² (based on the gross area of the unit), as is shown in Table 5.17. As can be seen, only 7.7 percent of units were valued at LE 300 per m² or less. And 21.5 percent of units were valued at between LE 301 and LE 600 per m². 35.1 percent of units were valued at between LE 601 and LE 1,000 per m². Only 10.8 percent of units were valued above LE 1,500 per m². The average value was LE 965.4 per m² and the median value was LE 800 per m².

Table 5.17: Current Perceived Value of Occupied Units of Gross Area

| Current Value (LE per m ²) | Number of Respondents | Percent |
|--|-----------------------|-------------|
| 1–100 | 234 | 1.2 |
| 101–200 | 613 | 2.8 |
| 201–300 | 795 | 3.7 |
| 301–400 | 1,130 | 5.2 |
| 401–500 | 1,360 | 6.3 |
| 501–600 | 2,160 | 10.0 |
| 601–700 | 2,047 | 9.5 |
| 701–800 | 2,031 | 9.4 |
| 801–900 | 2,181 | 10.1 |
| 901–1,000 | 1,327 | 6.1 |
| 1,001–1,200 | 3,525 | 16.3 |
| 1,201–1,500 | 1,858 | 8.6 |
| 1,501–2,000 | 1,096 | 5.1 |
| 2,001–3,000 | 715 | 3.3 |
| 3,001–4,000 | 200 | 0.9 |
| 4,001–5,000 | 98 | 0.5 |
| 5,001+ | 210 | 1.0 |
| Total | 21,580 | 100% |

It is possible to track the evolution of perceived market values of housing units for those who have moved over the last five years, as is shown in Table 5.18. As can be seen, there appears to be a trend of steeply increasing values expressed in LE per m² of both gross and net area of the units. For example, for those moving in 2008 the median perceived value

was LE 916.7 per net m², versus only LE 640.5 per net m² in 2003. And increases in perceived values appear to be the most pronounced in the last two to three years.

Table 5.18: Perceived Current Values for Units Acquired in the Last Five Years by Year

| Item | Years | 2008 | 2007 | 2006 | 2005 | 2004 | 2003 | Total |
|---|--------|---------|-------|-------|-------|-------|-------|-------|
| Price/Gross Housing Area (LE per m ²) | Count | 296 | 509 | 789 | 817 | 730 | 921 | 4,062 |
| | Median | 800.0 | 679.5 | 684.7 | 600.0 | 600.0 | 582.6 | 625.0 |
| | Mean | 1,091.9 | 770.9 | 872.0 | 851.4 | 768.5 | 749.0 | 818.5 |
| Price/Net Housing Area (LE per m ²) | Count | 296 | 509 | 789 | 817 | 730 | 921 | 4,062 |
| | Median | 916.7 | 727.8 | 742.7 | 642.9 | 666.7 | 640.5 | 679.1 |
| | Mean | 1,170.5 | 846.4 | 955.4 | 921.8 | 836.6 | 815.3 | 890.7 |

All 21,580 households surveyed in urban Egypt were also asked what they believed would be the market rent of their units should they be let out under the New Rent Law (which more or less reflects market rates). The average rent per unit was LE 350 per month and the median rent LE 300 per month.

As can be seen in Table 5.19, of all Old Law renters in urban Egypt surveyed (N=5,807), the ratio of the actual rent to the perceived rent averaged only 18.2 percent. However, for all New Law renters, the ratio of the actual rent to the perceived rent averaged 79.6 percent. In other words, under the New Rent regime actual rents are nearly the same as perceived market rents, whereas under the Old Rent regime there is a huge gap, with actual rents one sixth of perceived market rents.

Table 5.19: Current Rents as a Percentage of Perceived Market Values, 2008 Average

| Type of Rent | No. of Tenants | Actual Rent as a % of Perceived Value |
|-----------------------------|----------------|---------------------------------------|
| Old rent law | 5,807 | 18.2 |
| New rent law | 1,896 | 79.6 |
| Governmental rent | 180 | 18.5 |
| Furnished flat rent | 8 | 81.2 |
| Renting by all types | 7,891 | |

5.7 REGIONAL COMPARISONS

How do the various characteristics of housing market behavior described above for urban Egypt vary across the different regions? In this section housing variables in the five separate urban regions of Egypt – urban Delta, urban Upper Egypt, urban Canal Zone, Alexandria Governorate, and Greater Cairo – are compared to each other and to urban Egypt averages.³²

First, Table 5.20 displays the tenure of units inhabited in the last five years. New Rent Law tenure is the dominant form of tenure in all regions except in Alexandria, and is particularly dominant in Greater Cairo and the urban Delta. Old Law Rents represent a very small proportion in most regions, but are significant (representing 14 percent of all moves in the last five years) in the two large metropolises, Greater Cairo and Alexandria. This is to be

³² For further details of housing behavior in individual regions, including geographic definitions, please refer to the separate regional reports.

expected, since overall Old Rent tenure is much more predominant in the housing stock in these two cities (equaling 37.6 percent of all units in Alexandria and 39.3 percent of all units in Greater Cairo, compared to a national average of 26.9 percent).

Certain regions stand out in terms of tenure representation:

Table 5.20: Regional Comparisons: Tenure of Units Inhabited in Last Five Years (% Distribution)

| Item of Comparison | Greater Cairo | Alex | Canal | Delta | Upper Egypt | Urban Egypt |
|---------------------------|---------------|-------------|-------------|-------------|-------------|-------------|
| Old Rent Law | 14.9 | 14.1 | 2 | 1.5 | 3.3 | 9.3 |
| New Rent Law | 38.3 | 28.2 | 27.0 | 39 | 32.3 | 35.0 |
| Government Rent | 0.6 | 0.2 | 0.0 | 1 | 1.2 | 0.6 |
| Furnished Rent | 0.1 | 1.0 | 0.0 | 0.0 | 0.0 | 0.2 |
| Ownership by Purchase | 18.4 | 30.7 | 8.1 | 12.4 | 14.6 | 17.7 |
| Purchase from Government | 3.5 | 1.1 | 26.1 | 2.4 | 0.6 | 4.4 |
| Ownership by Construction | 2.7 | 6.4 | 13.6 | 16.6 | 13.8 | 8.5 |
| Ownership by inheritance | 4.6 | 6.8 | 5.2 | 9.7 | 11.0 | 7.0 |
| Ownership (Other) | 0.4 | 0.0 | 0.0 | 0.1 | 0.4 | 0.3 |
| Gift | 11.1 | 7.7 | 5.2 | 15.8 | 22.5 | 12.8 |
| In-Kind Privilege | 5.4 | 3.8 | 7.0 | 1.5 | 0.3 | 3.7 |
| Other | 0.0 | 0.0 | 5.8 | 0.0 | 0.0 | 0.5 |
| Total | 100% | 100% | 100% | 100% | 100% | 100% |

- Ownership by purchase on the market is by far the highest in Alexandria at 30.7 percent, compared to a national average of 17.7 percent. Greater Cairo is the second highest at 18.4 percent;
- Purchase from Government is very low in all regions (ranging from 0.6 to 3.5 percent) except in the Canal Zone cities, where it represents 26.1 percent of all moves in the last five years, six times the national average. This can be explained by availability of vacant state land in the Canal cities and a long-standing policy following the 1973 war of providing subsidized housing in these cities;
- "Gift" tenure is low in most regions, but is significantly high in the Delta (at 15.8 percent) and especially in urban Upper Egypt (at 22.5 percent). This may be due to the more traditional nature of the mostly small towns which make up these two predominantly rural regions. These two regions also register the highest incidences of Ownership by Inheritance (9.7 percent in the Delta and 11.0 percent in urban Upper Egypt, compared to a national average of 7.0 percent), probably for the same reason; and
- Ownership by Construction (owner-builder mode of housing supply) has a national average of only 8.5 percent, and is particularly low in the two large metropolises of Greater Cairo and Alexandria. However, this form of tenure is relatively high in the provincial regions.

Secondly, general housing market characteristics are displayed in Table 5.21. Residential mobility in the last five years is roughly the same in all regions, but is slightly higher in the Canal Zone and slightly lower in the Delta and Upper Egypt. The "localness" of mobility is high (averaging 80.1 percent of all moves nationally in the last five years) in all regions. The portion of units which were exchanged on the market in the last five years are similar throughout the five regions, but are highest, as expected, in the two large metropolises (59.9

percent of all units exchanged in the last five years in Alexandria and 56.7 percent in Greater Cairo, compared to a national average of 52.9 percent).

The median perceived market value of units is very similar throughout all regions (averaging LE 60,000 nationally). This is remarkable, as one would assume that housing values would be higher in the large cities of Alexandria and Cairo, and indeed, this assumption is born out by the housing market prices over the last five years as shown in Table 5.22 below.

In terms of methods of market exchange, word-of-mouth dominates in all regions (averaging 80.7 percent nationally). However, it seems that Greater Cairo has a higher incidence of more sophisticated methods (real estate agents and media), as do the Canal cities.

Table 5.21: Regional Comparisons: General Housing Market Characteristics

| Item of Comparison | Greater Cairo | Alex | Canal | Delta | Upper Egypt | Urban Egypt |
|--|---------------|--------|--------|--------|-------------|-------------|
| Mobility: % of Total Households Which Moved in Last Five Years | 20.0 | 18.6 | 26.5 | 14.9 | 15.7 | 18.8 |
| Mobility: % of Household Heads Moving within Same Neighborhood/Qism in Last Five Years | 72.5 | 86 | 90 | 81 | 88 | 80.1 |
| % of Units Exchanged in Last Five Years through Market | 56.7 | 59.9 | 35.1 | 51.4 | 47 | 52.9 |
| % of Units Exchanged in Last Five Years outside Market | 43.3 | 40.1 | 64.9 | 48.6 | 53 | 47.1 |
| Median Perceived Market Value of All Occupied Units (LE) | 60,000 | 55,000 | 60,000 | 67,500 | 50,000 | 60,000 |
| % of Exchanged Units Found through Word of Mouth in Last Five Years | 74.3 | 84.4 | 75 | 90 | 86 | 80.7 |
| % of Exchanged Units Found through Agents (simsars) in Last Five Years | 20.3 | 13.2 | 5.7 | 8.3 | 12.8 | 14.6 |
| % of Exchanged Units Found through Media in Last Five Years | 3.9 | 2.0 | 9.6 | 1.6 | 0.6 | 3.1 |

Thirdly, Table 5.22 compares characteristics of housing unit purchased in the last five years. The following observations of regional variations can be made:

- For housing unit purchases in formal areas, as expected Greater Cairo registers by far the highest average unit prices, the highest average per m² prices, and the largest average size of units. And in all of these indicators, Alexandria registers the second highest, also as expected. (The median price of a unit in Greater Cairo was LE 100,000 versus an all urban average of LE 80,000, and the median per m² price in Greater Cairo was LE 923 per m² versus an all urban average of LE 741);
- For housing purchases in informal areas in the last five years, there is a remarkable similarity across all regions. In all regions informal median unit prices are much lower than formal prices (usually half formal unit prices), the median size of units is much smaller (averaging 75 percent that of formal units), and the median m² prices are significantly lower (averaging 73 percent that of formal units). However, in Greater Cairo the difference between formal and informal unit prices and surface areas is the most pronounced;³³
- Median price to income ratios for housing unit purchases are similar across regions, with Greater Cairo being slightly higher (4.4 versus a national average of 3.8);

³³ For some unexplained reason, the median m² price of units in informal areas was very low in the Canal cities (only LE 190 per m²) and, to a lesser extent, also in Alexandria (only LE 384.6 per m²).

- Purchases by cash (versus by installment) form a majority of all unit purchases in all regions except in the Canal cities, where government housing purchases by installment dominate housing supply. Interestingly, Alexandria registers second highest incidence of payment by installment at 42.6 percent of total purchases;
- Of units purchased from building owners, the percentage of units purchased from government agencies is small in all regions (varying from 2 percent to 16 percent) except in the Canal cities, where purchases from government represents a staggering 90 percent of the total. Conversely, purchases from individuals and informal building owners completely dominate in all regions (ranging from 78.2 percent in Greater Cairo to 94.4 percent in Alexandria), except in the Canal cities; and
- Of units purchased from building owners, the percentage of units purchased from the corporate private sector is very small throughout urban Egypt (averaging only 4.7 percent nationally). As expected, the highest incidence is in Greater Cairo at 7.9 percent. For some reason the incidence in the Delta is also high, at 6.3 percent. In other regions the corporate private sector share of purchases ranges from nil in Upper Egypt to 2.1 percent in Alexandria. And it should be stressed that these figures only relate to sales by building owners, and does not include sales by individual unit owners (the secondary market).

Table 5.22: Regional Comparisons: Housing Unit Purchases in Last Five Years

| Item of Comparison | Greater Cairo | Alex | Canal | Delta | Upper Egypt | Urban Egypt |
|---|---------------|--------|--------|--------|-------------|-------------|
| Median Total Price of Purchased Units in Formal Areas (LE) | 100,000 | 60,800 | 50,000 | 57,500 | 50,000 | 80,000 |
| Median Size of Units Purchased in Formal Areas (m ²) | 105 | 97.0 | 75 | 85 | 75 | 95 |
| Median M ² Price of Purchased Units in Formal Areas (LE/m ²) | 923.1 | 666.7 | 473.7 | 643 | 641 | 740.7 |
| Median Total Price of Purchased Units in Informal Areas (LE) | 45,000 | 33,000 | 25,000 | 37,500 | 37,500 | 40,000 |
| Median Size of Units Purchased in Informal Areas (m ²) | 77.5 | 77.5 | 65 | 78 | 60 | 72 |
| Median M ² Price of Purchased Units in Informal Areas (LE/m ²) | 569.7 | 384.6 | 190.9 | 500 | 604.2 | 542.9 |
| Purchase Price to Annual Income Ratio | 4.4 | 3.5 | 3.4 | 3.5 | 4.1 | 3.8 |
| % of Purchases by Cash | 73.9 | 57.4 | 20.4 | 74.3 | 89.8 | 64.1 |
| % of Purchases by Installment | 26.1 | 42.6 | 79.6 | 25.7 | 10.2 | 35.9 |
| % of Units Purchased from Individuals/Informal Developers | 78.2 | 94.4 | 7 | 80 | 90 | 71.4 |
| % of Units Purchased from Government & Public Sector | 16.6 | 2.8 | 90 | 13.8 | 10.4 | 23.7 |
| % of Units Purchased from Private Sector | 7.9 | 2.1 | 1.8 | 6.3 | 0.0 | 4.7 |

Fourthly, Table 5.23 shows variations of unit price to annual income ratios for households purchasing in the last five years, by income quintile. In all regions the ratio tends to decrease slightly as one moves from lower to higher income quintiles, as expected, except in Upper Egypt where there is no clear trend, and also in Greater Cairo where the ratio is relatively high in the third and fourth quintiles.

Table 5.23: Regional Comparisons: Price to Annual Income Ratios for Households Purchasing Units in Last Five Years

| Regions | 1 st Quintile | 2 nd Quintile | 3 rd Quintile | 4 th Quintile | 5 th Quintile | Overall Sample |
|---------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|----------------|
| Greater Cairo | 5.2 | 3.7 | 4 | 4.2 | 3.3 | 4.4 |
| Alexandria | 3.9 | 3.7 | 3.5 | 2.9 | 2.7 | 3.5 |
| Canal | 4.9 | 4.2 | 3.4 | 3.4 | 2.1 | 3.4 |
| Delta | 3.9 | 3.3 | 3.4 | 3 | 2.3 | 3.5 |
| Upper Egypt | 4.6 | 3.4 | 3.5 | 4.5 | 4 | 4.1 |
| Urban Egypt | 4.3 | 3.9 | 3.8 | 3.3 | 3.3 | 3.8 |

Fifthly, Table 5.24 displays variations across regions of housing rental characteristics. In general there is a remarkable consistency in rental market behavior across all regions. The following are prominent observations:

- Median Old Law rents are consistently low, with the median rent only LE 30 per month nationally;
- Median New Law rents are consistently in the LE 225 to LE 250 per month range in all regions except Upper Egypt, where the median rent is LE 185 per month. The difference between median New Law rents in formal versus informal areas is, overall, not so great (nationally, LE 250 per month in formal areas versus LE 200 per month in informal areas). Such slight difference is found in all regions, except in Alexandria where the median rent in informal areas is half that found in formal areas (LE 150 per month versus LE 300 per month);
- The median rental period for New Law rents is 4 to 5 years in all regions except in the Canal cities where it is only two years. Similarly, the percentage of rent contracts which had rental increase clauses was similar throughout all regions (29 to 32 percent) except in the Canal Zone, where 40 percent of New Rent contracts had such clauses. For some unknown reason, in Canal cities rental arrangements are more favorable to landlords;
- There are no significant regional variations in New Rent contracts concluded in the last five years in terms of: (a) the percentage of contracts which require advance payments; (b) median rent-to-income ratios; and (c) percentage of all New Rent units which were rented from individual and informal developer building owners (practically all units); and
- In terms of perceived market values of all rental units surveyed, the large gap observed between Old and New Law Rents for urban Egypt also applies to the five regions. (The national average is only 18.2 percent for Old Rents versus 79.6 percent for New Rents.) However, the gap is somewhat less for Upper Egypt and the Canal cities, where there is a lower incidence of Old Rent contracts.

Table 5.24: Regional Comparisons: Housing Unit Rentals

| Item of Comparison | Greater Cairo | Alex | Canal | Delta | Upper Egypt | Urban Egypt |
|--|---------------|------|-------|-------|-------------|-------------|
| Median Rent for Old Law Tenants (LE/month) | 35 | 15 | 62 | 30 | 50 | 30 |
| Median Rent for New Law Tenants (LE/month) | 200 | 200 | 205 | 200 | 172 | 200 |
| Median Rent Under New Rent Law in Formal Areas in Last Five Years (LE/month) | 250 | 300 | 250 | 225 | 180 | 250 |
| Median Rent Under New Rent Law in Informal Areas in Last Five Years (LE/month) | 200 | 150 | 200 | 200 | 150 | 150 |
| Median Rental Period under New Rent Law in Last Five Years (years) | 5 | 4 | 2 | 5 | 5 | 5 |
| % of New Rent Contracts which Had Rental Increase Clauses in Last Five Years | 32.5 | 29.7 | 40 | 29.4 | 32.6 | 32.0 |
| % of New Rent Contracts which Had Advance Payments in Last Five Years | 36.4 | 25.6 | 33.3 | 26.0 | 35.8 | 32.5 |
| Annual Rent to Income Ratio for New Rent Law in Last Five Years | 20.0 | 22 | 22 | 21.1 | 21 | 20.0 |
| % of Units Rented from Individuals and Informal Developer Building Owners in Last Five Years | 95.9 | 96 | 97.7 | 99.6 | 97.6 | 97.1 |
| % of Units Rented from Government & Public Sector Building Owners in Last Five Years | 2.6 | 1.8 | 1.8 | 0.0 | 0.6 | 1.8 |
| % of Units Rented from Private Sector Building Owners in Last Five Years | 1.1 | 0.0 | 0.0 | 0.0 | 0.0 | 0.5 |
| Actual Rent of Old Law Units versus Perceived Market Rental Value (%) | 19.0 | 12 | 28.1 | 17.4 | 25.9 | 18.2 |
| Actual Rent of New Law Units versus Perceived Market Rental Value (%) | 75.2 | 84 | 92.7 | 86.3 | 74.8 | 79.6 |

Sixthly, Table 5.25 shows how New Rentals in the last five years vary across regions in terms of the income quintiles of tenant households. In general, there is a slight tendency for there to be more tenant households under New Rent contracts as one moves from the poorest to the richest households. This is most apparent for Alexandria, where 15.4 percent of all households are in the first quintile, rising to 24.4 percent of households in the fifth quintile, and in Greater Cairo, where only 9.6 percent of all households are in the first quintile, rising to 22.8 percent of households in the fifth quintile. However, there is no such smooth relationship in Upper Egypt, the Canal Zone, nor the Delta.

Table 5.25: Regional Comparisons: Distribution of New Rentals in Last Five Years by Income Quintiles (in percentages)³⁴

| Regions | N | 1 st Quintile (%) | 2 nd Quintile (%) | 3 rd Quintile (%) | 4 th Quintile (%) | 5 th Quintile (%) | Total |
|---------------|-------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|-------|
| Greater Cairo | 915 | 9.6 | 17.8 | 21.6 | 23.8 | 27.1 | 100% |
| Alexandria | 172 | 15.7 | 19.8 | 17.4 | 22.7 | 24.4 | 100% |
| Canal | 93 | 15.1 | 11.8 | 28 | 29 | 16.1 | 100% |
| Delta | 288 | 12.8 | 24.7 | 20.8 | 22.9 | 18.8 | 100% |
| Upper Egypt | 215 | 18.1 | 27.9 | 24.7 | 17.7 | 11.6 | 100% |
| Urban Egypt | 1,419 | 12.9 | 20.6 | 21.8 | 22 | 22.8 | 100% |

³⁴ Note that income distribution into quintiles is in terms of the national urban per capita household income distribution.

Finally, Table 2.26 displays rent-to-income ratios for New Rentals in the last five years by income quintiles. There is a remarkable consistency overall, with the average ratio in each region confined to a narrow band between 20.0 percent and 22.0 percent. Looking into particular quintiles in individual regions, there is a weak inverse correlation between income quintile and rent-to-income ratio. Even so, the rent-to-income ratios are never more than 29.5 percent and never less than 15.0 percent. In fact, one can conclude that New Law rentals are remarkably affordable across all regions and income quintiles.

Table 5.26: Regional Comparisons: Rent to Income Ratio for New Rentals in Last Five Years by Income Quintiles (percentage)

| Regions | 1 st Quintile | 2 nd Quintile | 3 rd Quintile | 4 th Quintile | 5 th Quintile | Overall Sample |
|---------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|----------------|
| Greater Cairo | 22.6 | 18.8 | 17 | 15.1 | 15 | 20.0 |
| Alexandria | 23.3 | 19.4 | 26.1 | 24.4 | 18.4 | 22.0 |
| Canal | 27.5 | 29.5 | 25 | 22.5 | 11.1 | 22.0 |
| Delta | 25 | 24.3 | 20 | 20.2 | 21.4 | 21.1 |
| Upper Egypt | 23.1 | 20 | 21.1 | 19.9 | 19.6 | 21.2 |
| Urban Egypt | 24 | 22.2 | 20 | 18.3 | 15.4 | 20.0 |

CHAPTER 6: EXPRESSED DEMAND FOR HOUSING UNITS

6.1 INTRODUCTION

The 2008 EHS included a subset of questions directed at individuals who had been actively searching for a housing unit and are still searching. It is important to note that this “expressed demand” may not equal real demand behavior in the market because it is more a reflection of perceptions and preferences. Even so, the results allow a better understanding of the characteristics of persons who are seeking housing and their expressed desires.

First, the magnitude of expressed demand and its determinants is assessed. The socio-economic characteristics of demanders are then explored in terms of age categories, marital status, reasons for demand, employment, income and savings. Current housing conditions for demanders are also examined.

For desired housing units, expressed demand is investigated for both purchase and rental and for preferred types of units and arrangements for the financing of unit purchase and rental down payment. Preferences for government- versus private sector-supplied housing were also investigated, along with the housing features desired in terms of size, number of bedrooms, finishing and type of building. Expressed demand for serviced land plots was also examined.

Finally, salient variations of characteristics of demanders across the five regions of the EHS Survey are presented.

6.2 MAGNITUDE OF EXPRESSED DEMAND AND ITS DETERMINANTS

According to the 2008 Survey of urban Egypt, out of 59,884 persons (the number of members in all the households sampled), 1,735 persons were actively seeking housing, or 2.8 percent of all individuals. Demander individuals were found in 1,604 households, meaning that at least one demander was present in 7.4 percent of households in urban Egypt. (There were 1,490 households in which one demander was found, 100 households in which two demanders were found, and 14 households in which three or more demanders were found).³⁵

From these figures it can be inferred that there are a total of some 624,700 individuals currently actively seeking housing units in urban Egypt, and that these individuals are found in 577,600 households.

It is interesting to see why the vast majority of households did not include a member who was seeking housing. A full 63.7 percent of all households responding (N=19,976) stated they did not have a member in need of housing. Of the remaining 26.3 percent of households (N=6,230), a large majority (86.3 percent or 5,374 households) stated that they have a desire for new housing, but that they were not financially capable and thus no household members were actively searching. Another 388 households stated that they had been searching for housing but gave up because all possibilities were too expensive. This

³⁵ Heads of households who expressed their willingness to acquire units now for future use by their children are considered part of expressed demand.

points to a huge "desire" or latent demand for housing in 26.7 percent of all surveyed households in urban Egypt which, due to affordability, does not translate into active demand behavior in the market.

The main reasons for seeking a housing unit were cited by the 1,735 identified demanders as follows:

| | |
|--|--------------|
| To be able to get married | 46.1% |
| The present unit is too small | 16.0% |
| Nuclear family wants to live independently | 10.3% |
| Changing tenure status to ownership | 9.0% |
| Wants long lease housing tenure | 6.4% |
| Other reasons | <u>12.2%</u> |
| | 100% |

Among all demanders, 46.9 percent expect to move to the new unit alone, which underscores the significance of demanders who want to form a family.

Among all demanders, 31.5 percent have been searching for at least one year, 31.0 percent for two years, and 18.1 percent for three years. 13.7 percent had been searching for five or more years.

The distribution of demanders by income quintile shows that expressed demand goes up dramatically with the income of the households they are members of, as shown in Table 6.1. In fact, a full 62.2 percent of demanders come from families in the richest two household income quintiles.

Table 6.1: Breakdown of Demanders by Household Income Quintiles

| Item | 1 st Quintile | 2 nd Quintile | 3 rd Quintile | 4 th Quintile | 5 th Quintile | Total |
|------------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------|
| No. of Demanders | 183 | 207 | 267 | 461 | 617 | 1,735 |
| % of Total No. of Demanders | 10.5 | 11.9 | 15.4 | 26.6 | 35.6 | 100% |

The main search methods used by demanders were through relatives and friends (59.3 percent), through field visits (38.2 percent) and through real estate agents or *simsars* (31.5 percent).³⁶ These can all be considered informal or casual methods. However, a significant number of demanders also looked in advertisements in specialized magazines (18.6 percent) and in newspapers (14.3 percent). 15.3 percent stated they inquired at new town agency offices, but only 1.4 percent searched internet sites.

³⁶ The survey question allowed multiple responses.

6.3 SOCIO-ECONOMIC CHARACTERISTICS OF HOUSING DEMANDERS

Of the 1,735 demanders interviewed in the Survey, 1,592 (or 98.1 percent) were males. Of the total demanders, 51.2 percent were single or divorced and 48.2 percent were married. An additional 2 percent had signed marriage contracts. A majority of demanders were individuals other than the head of household (54.6 percent). Some of the head of household demanders (45.4 percent of total demanders) were probably searching for housing for their children.

As can be seen from Table 6.2, the large majority of all demanders are aged in their twenties and thirties, with 42.7 percent being in their twenties.

Table 6.2: Demanders Distribution by Age

| Age | Demander Count | Percent |
|--------------|----------------|--------------|
| 19 or less | 58 | 3.3 |
| 20–24 | 336 | 19.4 |
| 25–29 | 404 | 23.3 |
| 30–34 | 269 | 15.5 |
| 35–39 | 189 | 10.9 |
| 40–49 | 290 | 16.7 |
| 50–59 | 141 | 8.1 |
| 60+ | 48 | 2.8 |
| Total | 1,735 | 100 % |

The educational status of demanders is shown in Table 6.3. As can be seen, demanders had overall higher educational attainment than the general population (see Section 3.2 above), with a particularly high representation of university graduates (26.1 percent). This having been said, only 5.7 percent of all demanders were still studying.

Table 6.3: Educational Status of Demanders

| Education status | Demander Count | Percent |
|--|----------------|-------------|
| Illiterate | 242 | 14.0 |
| Literate (no degree) | 107 | 6.1 |
| Below average education (elementary, preparatory only) | 257 | 14.8 |
| Average education | 553 | 31.9 |
| Above average but below university degree | 123 | 7.1 |
| University degree | 430 | 24.8 |
| Post-graduate degree (Masters, Ph.D.) | 23 | 1.3 |
| Total | 1,735 | 100% |

A total of 83.7 percent of demanders were currently employed, and 11.2 percent were classified as outside the labor force. Of those employed, reported monthly incomes were low, as shown in Table 6.4, with 58.2 percent stating incomes of between LE 300 and 900 per month. The median monthly income was LE 650.

Table 6.4: Distribution of Employed Demanders According to Monthly Income

| Total Monthly Income (LE) | Demander Count | Percent |
|---------------------------|----------------|-------------|
| Less than 300 | 132 | 8.5 |
| 300 – | 503 | 32.2 |
| 600 – | 405 | 26.0 |
| 900 – | 228 | 14.6 |
| 1,200 – | 86 | 5.5 |
| 1,500 – | 94 | 6.0 |
| 2,000 – | 68 | 4.4 |
| 3,000+ | 44 | 2.8 |
| Total | 1560 | 100% |

6.4 DEMAND FOR BUILT UNITS VERSUS LAND

Only 4.1 percent of demanders were looking for serviced land to build upon (N=71), whereas all the rest were looking for apartments. Of those looking for apartments (N=1,664), 80.0 percent were looking for apartments in a building of less than five floors and 17.1 percent looking for units in buildings of five or more floors. Only 2.8 percent of demanders were looking for villas or attached houses.

Since only a very small number of demanders were seeking land (N=71), it is difficult to draw any statistically relevant conclusions. The median size of land lot sought is 150 m². Most lot demanders (85 percent) aim to build a multi-story family house.

6.5 DEMANDS BY LOCATION AND MOBILITY

51.6 percent of demanders were mainly looking for units in the same neighborhood (shiakha) for housing units, and another 26.2 percent were looking for units elsewhere in the same city or markaz. 15.7 percent were looking elsewhere in the same governorate, and only 6.3 percent were looking in another governorate.

The reasons for demanders focusing on certain areas are clear. The most common reasons mentioned are (in order of importance, multiple responses were possible):

| | |
|--|--------------|
| Reasonable prices | 65.8 percent |
| Proximity to relatives and friends | 56.2 percent |
| Proximity to work | 53.0 percent |
| Social standing of area | 29.9 percent |
| Availability of transportation | 24.9 percent |
| Availability of services and utilities | 23.7 percent |
| Quiet neighborhood | 21.5 percent |
| Availability of education services | 7.7 percent |
| Availability of health services | 6.9 percent |

It is interesting to note that housing price and proximity to relatives/friends, and work are the main reasons for location decisions, and that availability of education and health services received only very weak priority.

Overall 73.1 percent of demanders were concentrating their searches in the same city or markaz. However, 30.1 percent were concentrating on new towns, and 2.2 percent were concentrating on fringe urban areas.³⁷ Of those looking mainly in new towns (N=523), preferences were as follows:³⁸

| | |
|-------------------------|--------------|
| Sixth of October | 36.8 percent |
| New Cairo | 30.2 percent |
| El Obour | 17.8 percent |
| 15 th of May | 16.8 percent |
| El Shouruk | 15.5 percent |
| Sheikh Zayed | 14.3 percent |
| Tenth of Ramadan | 6.5 percent |
| El Badr | 5.7 percent |
| Bourg el Arab | 3.3 percent |
| New Minya | 3.8 percent |
| New Sohag | 2.9 percent |
| New Fayoum | 2.1 percent |

(Other new towns registered below 1 percent)

It is interesting to note that by far the most preferred new towns were all around Greater Cairo.

A total of 80.5 percent of demanders for apartments expressed willingness to change housing units as family circumstances change. 78.4 percent would accept to live in a small unit at the beginning of marital life. And 74.1 percent accepted the idea of upgrading one's unit over time.

6.6 DEMANDS BY TENURE TYPE

Most apartment demanders (N=1,664) wish to find units for long term lease (53.3 percent), while 43.3 percent prefer ownership. Only 3.4 percent prefer short term rental. It should be noted that 73.6 percent of apartment demanders would accept renting the unit at the beginning and perhaps eventually owning it.

Practically all apartment demanders who prefer housing purchase (N=720) prefer to pay by installments (N=660, 91.7 percent). Table 6.5 shows the preferred number of years for purchase installment payments. As can be seen, 36.0 percent would prefer a period of 15

³⁷ Survey question allowed multiple response.

³⁸ Survey question allowed multiple response.

years of less, 37.8 percent would preferred a period of 16 to 25 years, and 8.3 percent would prefer a period in excess of 30 years.

Table 6.5: Number of Preferred Years for Apartment Demanders to Pay by Installment

| Number of Preferred Years to Pay Installment | | | |
|--|------------|-------------|--------------------|
| Years | Count | Percent | Cumulative Percent |
| 0-5 | 63 | 9.5 | 9.5 |
| 6-10 | 101 | 15.3 | 24.8 |
| 11-15 | 74 | 11.2 | 36 |
| 16-20 | 215 | 32.6 | 68.6 |
| 21-25 | 34 | 5.2 | 73.8 |
| 26-30 | 118 | 17.9 | 91.7 |
| 31-35 | 4 | 0.6 | 92.3 |
| 36-40 | 24 | 3.6 | 95.9 |
| 46-50 | 12 | 1.8 | 97.7 |
| 51-55 | 1 | 0.2 | 97.9 |
| 56-60 | 14 | 2.1 | 100% |
| Total | 660 | 100% | |

For apartment demanders preferring long term lease (N=887), Table 6.6 shows the preferred number of years for rental payments. As can be seen, only 1.4 percent would accept a period of five years and only 5.3 percent a period of six to 10 years. 18.1 percent would like to rent an apartment for a period of 11-20 years. A very high 49.3 percent prefers rental for a period of over 50 years.

Table 6.6: Number of Preferred Years for Apartment Demanders to Pay Rent

| Number of Preferred Years to Pay Rent | | | |
|---------------------------------------|------------|-------------|--------------------|
| Years | Count | Percent | Cumulative Percent |
| 0-5 | 10 | 1.4 | 1.4 |
| 6-10 | 37 | 5.3 | 6.7 |
| 11-15 | 12 | 1.7 | 8.4 |
| 16-20 | 115 | 16.4 | 24.8 |
| 21-25 | 30 | 4.3 | 29.1 |
| 26-30 | 57 | 8.1 | 37.2 |
| 31-35 | 5 | 0.7 | 37.9 |
| 36-40 | 17 | 2.4 | 40.3 |
| 46-50 | 73 | 10.4 | 50.7 |
| 51-55 | 1 | 0.1 | 50.8 |
| 56-60 | 346 | 49.2 | 100% |
| Total | 703 | 100% | |

This preference among demanders for long term leasehold clearly runs counter to current market realities. From Chapter 5, it is clear that most rentals in the last five years are for short periods (median is only 5 years).

6.7 FINANCING AND FINANCING PREFERENCES

Of all demanders, 52.4 percent state they are currently saving to acquire a unit or land, and 82.7 percent of those who are not saving intend to in the future. Of those who are currently saving (N=909), the total amount saved so far has a median of LE 5,000, although some much larger amounts of savings are also mentioned. When asked if they were saving or could save regularly, 909 demanders (or 52.4 percent of all demanders) answered affirmatively. For these, the median amount mentioned was LE 200 per month, and 41.8 percent could only save LE 100 per month or less. Only 23.5 percent could save more than LE 300 per month.

Of all demanders, 13.3 percent state they themselves have personal property which they could sell to acquire a housing unit or land, and the median total value of these properties is LE 15,000. In addition, of all demanders, 16.0 percent state that other members of their household have personal property which could be used to help finance the desired unit, and the median value of these properties is LE 6,000.

An indication of ability-to-pay of demanders for new units can be derived from what are considered cheap/good/expensive down-payments and installment/rent payments for the sought unit:

Median Down Payment

| | |
|------------------------------|----------|
| Considered Cheap | LE 3,000 |
| Considered Good Value | LE 5,000 |
| Considered Getting Expensive | LE 6,000 |
| Considered Too Expensive | LE 7,100 |

Median Monthly Installment

| | |
|------------------------------|--------|
| Considered Cheap | LE 100 |
| Considered Good Value | LE 150 |
| Considered Getting Expensive | LE 200 |
| Considered Too Expensive | LE 250 |

Of all demanders, only 19.9 percent currently have financial dealings with banks and another 5.8 percent have had dealings in the past. (For those who have had financial dealings, almost all were with banks or post offices.) A remarkable 74.3 percent of demanders do not nor ever have had financial dealings with banks.

Of all demanders, only 29.3 percent would like to obtain a bank loan to finance acquisition of the unit. Of these, 49.2 percent would prefer an interest rate of 5 percent per year or less, 20.4 percent would prefer an interest rate of 7 percent per year, and another 18.0 percent would prefer an interest rate of 10 percent per year. Virtually none of these demanders mentioned interest rates which approach current mortgage interest rates (12 to 14 percent per year). Just over 50 percent of these demanders say they have sufficient guarantees to obtain a bank loan, and of these two thirds mentioned that their monthly salary would be the guarantee.

Of the majority of demanders who do not like taking a loan (70.7 percent of total demanders; i.e. N=1,227), the following are the main reasons (multiple responses possible):

| | |
|---|--------------|
| Fear unable to repay the loan | 51.8 percent |
| Reluctance to be indebted | 42.7 percent |
| Interest increases the installment payments | 39.5 percent |
| Loan interest is sinful | 22.1 percent |
| Cannot offer guarantees for the loan | 15.2 percent |

Even though it is clear that there is little enthusiasm for loans to assist housing unit acquisition, of those seeking to purchase units (N=720), 91.7 percent prefer installment payments and only 8.3 percent prefer to pay in cash. Evidently "installment payments" are commonly seen as not involving a "loan" *per se*.

Among all demanders, there were a significant number who expect a relative or friend to help finance the unit. For example, 27.7 percent expected help from parents, 12.0 percent from siblings, 16.1 percent from other relatives, and 11.0 percent from friends. And the most common type of help was to provide an interest free loan (56.6 percent) and to cover part of the total price/downpayment (45.3 percent) (multiple response question). However, a full 47.7 percent of demanders stated they did not expect any help to finance the housing unit.

The market value of the unit being sought for purchase is considered to be getting expensive at LE 79,150 (average) and LE 55,000 (median).

Of those demanders seeking to rent units (N=944), 76.2 percent prefer to pay a down payment or advance payment on the rent and enjoy a long term lease.

6.8 PREFERENCES FOR AND KNOWLEDGE OF GOVERNMENT-SUPPORTED HOUSING PROGRAMS

Among all demanders, 30.1 percent are looking for housing on the private market, 52.9 percent are looking for government-provided housing, and the remaining 17.0 percent are looking for both types.

Of those preferring government-provided housing, the most common reasons³⁹ were the reasonable price (73.0 percent); government programs are more believable (37.7 percent); eligibility for a subsidy (35.9 percent); and appropriate installment period (34.1 percent). It should be noted that, of those preferring government housing, 95.1 percent thought that they deserve a government subsidy.

Of those preferring private sector housing, the most common reasons were the better quality of private sector units (50.2 percent); better affordability of private sector units (42.5 percent); better locations near to work (39.8 percent); and housing designs are more flexible/suitable (25.2 percent).⁴⁰

Interestingly, only 47.3 percent of total demanders had heard about the National Housing Program (NHP). Of those who had heard about it, 26.2 percent consider that the units offered by the NHP were suitable, 22.2 percent considered them unsuitable, and the majority (51.6 percent) did not know enough about the program offerings.

³⁹ Survey question allowed multiple responses.

⁴⁰ Survey question allowed multiple responses.

Of all demanders, only 36.7 percent had heard of the mortgage finance system and mortgage companies. Of these, only 11.1 percent expressed a liking for mortgages, 41.0 percent rejected them, and 47.9 percent did not know enough about the terms.

Only 16.5 percent of all demanders were members of a syndicate, union, or employees society, and of those only 43.3 percent preferred to acquire a unit through such organizations.

6.9 CHARACTERISTICS OF DEMANDED UNITS

For all apartment demanders (N=1,664), Table 6.7 shows the preference by size of the desired dwelling unit. As can be seen, a large majority, 80.3 percent, preferred units in the 60 to 100 m² range. The median size is 80 m² and the average size is 88.5 m².

Table 6.7: Distribution of Apartment Demanders According to Total Housing Unit Area Being Sought

| Total Area of Housing Unit Demanders Seek (m ²) | Count | Percent | Cumulative Percent |
|---|--------------|-------------|--------------------|
| 31-40 | 8 | 0.5 | 0.5 |
| 41-50 | 44 | 2.6 | 3.1 |
| 51-60 | 117 | 7.0 | 10.2 |
| 61-70 | 339 | 20.4 | 30.5 |
| 71-80 | 410 | 24.6 | 55.2 |
| 81-90 | 175 | 10.5 | 65.7 |
| 91-100 | 413 | 24.8 | 90.5 |
| 101-125 | 75 | 4.5 | 95.0 |
| 126-150 | 57 | 3.4 | 98.4 |
| 151-200 | 17 | 1.0 | 99.5 |
| 201-300 | 3 | 0.2 | 99.6 |
| 301+ | 6 | 0.4 | 100% |
| Total | 1,664 | 100% | |

Among all apartment demanders: 7.5 percent are looking for one bedroom units; 58.7 percent are looking for two bedroom units; and 29.9 percent are looking for three bedroom units. Only 3.8 percent of these demanders are looking for four or more bedroom units.

Most apartment demanders seek finished apartments (63.4 percent) but 30.6 percent will take whatever they can find.

6.10 REGIONAL VARIATIONS

How do the various characteristics of expressed demand for housing described above for urban Egypt vary across the different regions? In this section housing variables in the five separate urban regions of Egypt – urban Delta, urban Upper Egypt, urban Canal Zone, Alexandria Governorate, and Greater Cairo – are compared to each other and to the urban Egypt averages.⁴¹

⁴¹ For further details of housing behavior in individual regions, including geographic definitions, please refer to the separate regional reports.

Table 6.8 presents general characteristics of housing demanders. For most characteristics the variables are similar across all regions. However, there are some significant regional variations which can be noted in Table 6.8:

- Greater Cairo has the highest incidence of demanders, with 2.8 percent of surveyed individuals actively seeking housing (compared to a national average of 2.0 percent) and 10.6 percent of surveyed households with at least one demander (compared to a national average of 7.4 percent). This is as would be expected for Egypt's largest city. Alexandria comes second in terms of percentage of individuals seeking housing and third in terms of percentage of households with at least one demander. For some unexplained reason Upper Egypt has a high percentage of households with at least one demander (7.2 percent);
- In terms of percentage of demanders which are employed, Greater Cairo also stands out as having by far the lowest percentage (81.1 percent);
- Of demanders seeking land rather than built housing units, Alexandria stands out at 5.1 percent (compared to the national average of 4.1 percent);
- Greater Cairo contains by far the highest incidence of demanders who are mainly seeking units in new towns (at 44.0 percent versus 30.1 percent nationally); and
- The Canal cities have, by far, the highest percentage of demanders who are seeking government-provided housing (at 83.1 percent versus 52.9 percent nationally). This correlates with the very high percentage of housing provided by government in the Canal Zone, as shown in Table 5.21 above. The Canal cities also have the highest percentage of demanders who prefer purchase over short or long term lease (61.8 percent of demanders versus 43.3 percent nationally).

Table 6.8: Housing Demanders: Regional Comparisons

| Item of Comparison | Greater Cairo | Alex | Canal | Delta | Upper Egypt | Urban Egypt |
|---|---------------|------|-------|-------|-------------|-------------|
| % of Surveyed Individuals Actively Seeking Housing | 2.8 | 1.8 | 1.4 | 0.9 | 1.7 | 2.0 |
| % of Surveyed Households with at Least One Demander | 10.6 | 6.0 | 5.8 | 3.3 | 7.2 | 7.4 |
| % of Demanders Seeking Housing Unit for Marriage | 45.8 | 58.4 | 45.5 | 46.3 | 37.9 | 46.1 |
| % of Demanders Seeking a Larger Housing Unit | 15 | 14.5 | 6.5 | 20.3 | 20.3 | 16 |
| % of Demanders Seeking A Unit for Independence | 10.8 | 6.2 | 20.8 | 6.8 | 10.7 | 10.3 |
| % of Demanders Seeking Housing for 1 Year or Less | 34.5 | 30.0 | 23.4 | 23.7 | 30.0 | 31.5 |
| % of Demanders Seeking Housing for 2 to 3 Years | 50.8 | 55.0 | 57.1 | 62.2 | 62.4 | 49.1 |
| % of Demanders Seeking Housing for 5 Years or More | 14.7 | 15.0 | 19.5 | 14.1 | 7.6 | 13.7 |
| % of Demanders Employed | 81.1 | 85.0 | 92.2 | 86.4 | 87.6 | 84.4 |
| Median Monthly Income of Employed Demanders (LE) | 750 | 600 | 600 | 700 | 550 | 650 |
| % of Demanders between the Age of 20-35 | 57.6 | 63.5 | 66.3 | 52.6 | 57.3 | 58.2 |
| % of Demanders with University Degree or Higher | 29.1 | 21.6 | 22.1 | 28.8 | 19.0 | 26.1 |
| % of Demanders Seeking Built Units | 95.6 | 94.9 | 98.7 | 97.7 | 95.9 | 95.9 |
| % of Demanders Seeking Land | 4.4 | 5.1 | 1.3 | 2.3 | 4.1 | 4.1 |
| % of Demanders Mainly Seeking Units in Same Neighborhood | 48.3 | 49.5 | 33.8 | 58.8 | 64.1 | 73.1 |
| % of Demanders Seeking Units in New Towns (not exclusively) | 44 | 9.8 | 3.9 | 5.1 | 22.8 | 30.1 |
| % of Demanders Mainly Seeking Government-provided Units | 53.3 | 31.2 | 83.1 | 45.8 | 63.8 | 52.9 |
| % of Demanders Who Used <u>No</u> Media to Seek Units | 52.3 | 55.4 | 40.3 | 74 | 71.4 | 57.1 |

| | | | | | | |
|---|------|------|------|------|------|------|
| % of Demanders of Built Units Who Prefer Purchasing | 44 | 39.9 | 61.8 | 41.6 | 39.2 | 43.3 |
| % of Demanders of Built Units Who Prefer Long Term Rentals | 52.7 | 57.1 | 27.8 | 53.2 | 59.7 | 53.3 |
| % of Demanders of Built Units Who Prefer Short Term Rentals | 3.3 | 3.0 | 10.5 | 5.2 | 1.1 | 3.4 |
| % of Demanders for Purchasing Units Who Prefer Installment Payments | 97 | 86.4 | 100 | 90 | 73.4 | 91.7 |
| Median Size of Preferred Housing Unit (m ²) | 80 | 77 | 80 | 90 | 80 | 80 |
| % of Demanders Seeking One Bedroom Units | 7 | 9.4 | 3.9 | 10.4 | 7.2 | 7.5 |
| % of Demanders Seeking Two Bedroom Units | 54.8 | 70.0 | 57.9 | 52 | 68 | 58.7 |
| % of Demanders Seeking Three or More Bedroom Units | 38.2 | 20.6 | 38.2 | 37.6 | 20.5 | 33.8 |

Table 6.9 shows certain indicators of the financial attitudes and behavior of housing demanders across regions. Overall, these are remarkably similar in terms of propensity to save for housing, other assets which could be converted to finance housing, dealings with financial institutions, and awareness of the NHP or mortgage institutions and offerings. However, a couple regional variations stand out.

As expected due to its low average incomes (see Chapter 3 above), urban Upper Egypt has the lowest percentage of demanders who are saving for housing and also the lowest average amount which could be saved monthly for housing. However, urban Upper Egypt has the second highest percentage of demanders with assets which could be sold to finance housing acquisition (after the urban Delta which, like urban Upper Egypt, is located in a mainly rural region).

Greater Cairo has the highest proportion of demanders who have dealings with financial institutions, as expected, followed by the Canal cities. The Canal cities also have by far the highest percentage of demanders who are willing to borrow from banks to acquire housing.

Table 6.9: Financial Behavior of Housing Demanders: Regional Comparisons

| Item of Comparison | Greater Cairo | Alex | Canal | Delta | Upper Egypt | Urban Egypt |
|---|---------------|-------|-------|-------|-------------|-------------|
| % of Demanders Who Currently Save for Housing | 50.9 | 60.7 | 59.7 | 54.8 | 47.9 | 52.4 |
| Median Amount Saved (LE) | 6,000 | 5,000 | 3,000 | 5,000 | 4,000 | 5,000 |
| Median Amount Which Can be Saved Monthly for Housing (LE) | 200 | 100 | 150 | 150 | 160 | 200 |
| % of Demanders Who Have Assets Which Could Be Sold for Housing Acquisition | 13.2 | 12.1 | 8 | 16.4 | 14.1 | 13.3 |
| % of Demanders Who Currently Have Dealings with Financial Institutions | 24.7 | 16.4 | 23.4 | 13 | 9.7 | 19.9 |
| % of Demanders Who Are Willing to Borrow from Banks to Acquire Housing | 31 | 29.0 | 49.4 | 15.8 | 25.9 | 29.2 |
| % of Demanders Who Expect Help from Parents to Finance Acquisition of a Unit | 26.7 | 29.9 | 27.3 | 32.2 | 26.6 | 27.7 |
| % of Demanders Who Have Heard of the President's National Housing Program (NHP) | 51.6 | 41.6 | 31.2 | 52 | 38.6 | 47.3 |
| % of Demanders Who Have Heard of the Mortgage Finance System in Egypt | 36.3 | 36.0 | 30 | 45.8 | 35 | 36.7 |

Overall, as shown in Table 6.10, the incidence of housing demanders in urban Egypt is directly and steeply correlated to the income of the demander's household, rising steadily from only 10.4 percent of demanders in the first (poorest) quintile to 35.6 percent of demanders in the fifth quintile. Obviously, the active search for housing is much more common among individuals in better off families. This direct link between individual demand

and household income is strongest in Greater Cairo. The same relationship can also be found in all other regions, except in urban Upper Egypt, where there is no evident correlation between household income and individual housing demand.

Table 6.10: Regional Comparisons: % Distribution of Demanders by Household Income Quintile

| Regions | 1st Quintile (%) | 2nd Quintile (%) | 3rd Quintile (%) | 4th Quintile (%) | 5th Quintile (%) | Total |
|----------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|--------------|
| Greater Cairo | 7 | 10.2 | 14.2 | 26.3 | 42.3 | 100% |
| Alexandria | 10.3 | 12.6 | 18.7 | 28 | 30.4 | 100% |
| Canal | 13 | 3.9 | 10.4 | 35.1 | 37.6 | 100% |
| Delta | 10.2 | 13 | 19.8 | 27.1 | 29.9 | 100% |
| Upper Egypt | 22.4 | 18.6 | 15.5 | 23.8 | 19.7 | 100% |
| Urban Egypt | 10.5 | 11.9 | 15.4 | 26.6 | 35.6 | 100% |

ANNEX A: URBAN EGYPT PRIMARY SAMPLING UNITS

Table A.1: List of PSUs in Urban Egypt

| Serial Numbers | Governorate | Qism/Markaz | Shiakha | Number of PSUs |
|----------------|-------------|-------------------|---------------------------------|----------------|
| 1-5 | Cairo | As-Salam Qism | As-Salam Al-Sharqia | 5 |
| 6-7 | Cairo | As-Salam Qism | As-Salam Al-Gharbia | 2 |
| 8-13 | Cairo | As-Salam Qism | Al-Assara Al-Gedida | 6 |
| 14-16 | Cairo | As-Salam Qism | Berket Al-Nasr | 3 |
| 17-20 | Cairo | As-Salam Qism | Al-Nahda | 4 |
| 21-26 | Cairo | Al-Marg Qism | Al-Marg Al-Baharia | 6 |
| 27-30 | Cairo | Al-Marg Qism | Al-Marg Al-Qebliya | 4 |
| 31 | Cairo | Al-Marg Qism | Berket Al-Hag | 1 |
| 32-34 | Cairo | Al-Marg Qism | Ezbet El-Nakhl | 3 |
| 35 | Cairo | Al-Marg Qism | Kafr Al-Basha | 1 |
| 36-37 | Cairo | Al-Marg Qism | Kafr Al-Shorafa | 2 |
| 38-44 | Cairo | Al-Mattareya Qism | Al-Ezab | 7 |
| 45-48 | Cairo | Al-Mattareya Qism | Al-Mattareya Al-Gharbia | 4 |
| 49 | Cairo | Al-Mattareya Qism | Shagret Mariam | 1 |
| 50-51 | Cairo | Al-Mattareya Qism | Arab Abu-Tawila | 2 |
| 52 | Cairo | Al-Mattareya Qism | Arab Al-Hesn | 1 |
| 53-54 | Cairo | Al-Mattareya Qism | Ain Shams Al-Gharbia | 2 |
| 55-60 | Cairo | Ain Shams Qism | Al-Zahraa and Masaken Al-Helmya | 6 |
| 61 | Cairo | Ain Shams Qism | Helmyet Al-Zeitoun | 1 |
| 62 | Cairo | Ain Shams Qism | Helmyet Al-Naam | 1 |
| 63-68 | Cairo | Ain Shams Qism | Tolombat Ain-Shams | 6 |
| 69-72 | Cairo | Ain Shams Qism | Ain Shams Al-Sharqia | 4 |
| 73 | Cairo | Ain Shams Qism | Manshyet At-Tahrir | 1 |
| 74 | Cairo | Badr City Qism | Hay Awal and Hadiqa Markazeya | 1 |
| 75-76 | Cairo | Al-Nozha Qism | Al-Nozha | 2 |
| 77 | Cairo | Al-Nozha Qism | Hikestep | 1 |
| 78-79 | Cairo | Al-Nozha Qism | Al-Mattar | 2 |
| 80-81 | Cairo | Al-Nozha Qism | Sheraton Al-Mattar | 2 |
| 82 | Cairo | Al-Zeitoun Qism | Al-Zeitoun Al-Baharia | 1 |
| 83 | Cairo | Al-Zeitoun Qism | Al-Zeitoun Al-Sharqia | 1 |
| 84-85 | Cairo | Al-Zeitoun Qism | Al-Zeitoun Al-Gharbia | 2 |
| 86-87 | Cairo | Al-Zeitoun Qism | Al-Zeitoun Al-Qebliya | 2 |
| 88-93 | Cairo | Al-Zeitoun Qism | Masaken Al-Amireya Al-Shamalia | 6 |
| 94-101 | Cairo | Al-Zawya Al-Hamra | Al-Zawya Al-Hamra – Masaken | 8 |
| 102-103 | Cairo | Al-Zawya Al-Hamra | Al-Amireya | 2 |
| 104-105 | Cairo | As-Sahel Qism | Asaad | 2 |
| 106-107 | Cairo | As-Sahel Qism | Al-Barrad | 2 |
| 108 | Cairo | As-Sahel Qism | Al-Khazindara | 1 |

| | | | | |
|---------|-------|-----------------------|--|---|
| 109-110 | Cairo | As-Sahel Qism | As-Sahel | 2 |
| 111 | Cairo | As-Sahel Qism | Borham | 1 |
| 112-113 | Cairo | As-Sahel Qism | Sherif | 2 |
| 114-115 | Cairo | As-Sahel Qism | Menyet El-Sireg | 2 |
| 116 | Cairo | Rod Al-Farag Qism | Ibn Al-Rashid | 1 |
| 117 | Cairo | Rod Al-Farag Qism | Al-Mabyyada | 1 |
| 118-119 | Cairo | Rod Al-Farag Qism | Rod Al-Farag El-Balad | 2 |
| 120 | Cairo | Rod Al-Farag Qism | Tosson | 1 |
| 121 | Cairo | Rod Al-Farag Qism | Qasoret Al-Shawam | 1 |
| 122 | Cairo | Shubra Qism | At-Tera'a Al-Boulaqeya | 1 |
| 123 | Cairo | Shubra Qism | Al-Shamashergy | 1 |
| 124 | Cairo | Shubra Qism | Al-Attar | 1 |
| 125 | Cairo | Al-Sharabya Qism | Al-Sharabya | 1 |
| 126-129 | Cairo | Al-Sharabya Qism | Al-Azab | 4 |
| 130-131 | Cairo | Al-Sharabya Qism | Al-Zawya Al-Hamra – El-Balad | 2 |
| 132 | Cairo | Al-Sharabya Qism | Mahmasha | 1 |
| 133-134 | Cairo | Hadayek Al-Qobba Qism | Al-Hadayek | 2 |
| 135 | Cairo | Hadayek Al-Qobba Qism | Al-Qobba | 1 |
| 136 | Cairo | Hadayek Al-Qobba Qism | Al-Wayeli Al-Kabir | 1 |
| 137-139 | Cairo | Hadayek Al-Qobba Qism | Hadayek Al-Qobba | 3 |
| 140-142 | Cairo | Hadayek Al-Qobba Qism | Masaken Al-Amireya Al-Ganoubeya | 3 |
| 143 | Cairo | Hadayek Al-Qobba Qism | Mansheyet Al-Sadr | 1 |
| 144 | Cairo | Misr Al-Gedida Qism | Al-Bostan | 1 |
| 145-146 | Cairo | Misr Al-Gedida Qism | Almaza | 2 |
| 147-148 | Cairo | Misr Al-Gedida Qism | Mansheyet Al-Bakri | 2 |
| 149 | Cairo | Al-Wayeli Qism | As-Sarayat | 1 |
| 150 | Cairo | Al-Wayeli Qism | Al-Abassia Al-Qebliya | 1 |
| 151 | Cairo | Al-Wayeli Qism | Ganayen Al-Wayelia | 1 |
| 152 | Cairo | Al-Zaher Qism | Al-Sakakini | 1 |
| 153 | Cairo | Al-Zaher Qism | Al-Qobeissi | 1 |
| 154 | Cairo | Bab Al-She'ereya Qism | Al-Sawabi | 1 |
| 155 | Cairo | Bab Al-She'ereya Qism | Bab Al-Bahr | 1 |
| 156 | Cairo | Al-Azbakeya Qism | Al-Zahar | 1 |
| 157 | Cairo | Boulaq Qism | Al-Gawaber | 1 |
| 158 | Cairo | Boulaq Qism | Sheikh Farrag | 1 |
| 159 | Cairo | Boulaq Qism | Souq Al-Assr | 1 |
| 160 | Cairo | Zamalek Qism | Mohamed Mazhar | 1 |
| 161 | Cairo | Abdeen Qism | As-Saha | 1 |
| 162 | Cairo | Abdeen Qism | Rahbet Abdeen | 1 |
| 163 | Cairo | Al-Mosky Qism | Safey El-Din – previously Al-Game'e Al-Ahmar | 1 |
| 164 | Cairo | Al-Gammaliyyah Qism | Al-Sha'arani | 1 |

| | | | | |
|---------|-------|-----------------------|---------------------------------|---|
| 165 | Cairo | Al-Gammaliyyah Qism | Qasr Al-Shoq | 1 |
| 166 | Cairo | Al-Darb Al-Ahmar | Al-Amry | 1 |
| 167 | Cairo | Al-Darb Al-Ahmar | Darb Shoghlan | 1 |
| 168-169 | Cairo | Monshaat Nasser Qism | Al-Ma'adassa | 2 |
| 170-171 | Cairo | Monshaat Nasser Qism | Al-Mahager | 2 |
| 172 | Cairo | Monshaat Nasser Qism | Qaitbay | 1 |
| 173-174 | Cairo | Monshaat Nasser Qism | Monshaat Nasser | 2 |
| 175-176 | Cairo | Monshaat Nasser Qism | Masaken Suzan Mubarak El-Gedida | 2 |
| 177 | Cairo | Nasr City Qism Awal | At-Tawfiq | 1 |
| 178 | Cairo | Nasr City Qism Awal | El-Golf | 1 |
| 179 | Cairo | Nasr City Qism Awal | Al-Nadi Al-Ahli | 1 |
| 180-182 | Cairo | Nasr City Qism Awal | Al-Hay Al-Asher | 3 |
| 183 | Cairo | Nasr City Qism Awal | Al-Manteqa Al-Oula | 1 |
| 184-187 | Cairo | Nasr City Qism Awal | Al-Manteqa Al-Sadsa | 4 |
| 188 | Cairo | Nasr City Qism Awal | Al-Manteqa Al-Thamna | 1 |
| 189 | Cairo | Nasr City Qism Awal | Al-Wafaa W-Al-Amal | 1 |
| 190 | Cairo | Nasr City Qism Awal | Al-Hadiqa Al-Dawlya | 1 |
| 191 | Cairo | Nasr City Qism Awal | Sharq Al-Manteqa Al-Sadsa | 1 |
| 192-194 | Cairo | Nasr City Qism Awal | Ezbet Al-Hagana – Kilo 4.5 | 3 |
| 195 | Cairo | New Cairo Qism Awal | At-Tagamoa Al-Khames | 1 |
| 196 | Cairo | New Cairo Qism Thani | Al-Rehab and Al-Mostathmeron | 1 |
| 197 | Cairo | New Cairo Qism Thani | Academyet Al-Shorta and Mirage | 1 |
| 198 | Cairo | Nasr City Qism Thani | Al-Hay Al-Sades | 1 |
| 199 | Cairo | Nasr City Qism Thani | As-Sarayat Al-Sharqia | 1 |
| 200-201 | Cairo | Al-Khalifa Qism | El-Ebageya | 2 |
| 202 | Cairo | Al-Khalifa Qism | El-Tonsi | 1 |
| 203 | Cairo | Al-Khalifa Qism | El-Helmya | 1 |
| 204 | Cairo | Al-Khalifa Qism | El-Qaderya | 1 |
| 205 | Cairo | Al-Khalifa Qism | Arab Al-Yassar | 1 |
| 206 | Cairo | Al-Khalifa Qism | Al-Sa'id | 1 |
| 207 | Cairo | Al-Khalifa Qism | Sobhi Hussein | 1 |
| 208 | Cairo | Al-Khalifa Qism | Atlas C | 1 |
| 209 | Cairo | As-Sayeda Zeinab Qism | Al-Baghala | 1 |
| 210 | Cairo | As-Sayeda Zeinab Qism | Al-Sabaein | 1 |
| 211 | Cairo | As-Sayeda Zeinab Qism | Al-Kabsh | 1 |
| 212 | Cairo | As-Sayeda Zeinab Qism | Darb Al-Gamamiz | 1 |
| 213 | Cairo | As-Sayeda Zeinab Qism | Sonqor | 1 |
| 214 | Cairo | Misr Al-Qadima Qism | Abul Sooud and Al-Madabegh | 1 |
| 215-216 | Cairo | Misr Al-Qadima Qism | Athar Al-Nabi | 2 |
| 217 | Cairo | Misr Al-Qadima Qism | Al-Dayooraa | 1 |
| 218 | Cairo | Misr Al-Qadima Qism | Al-Roda and Al-Meqyas | 1 |
| 219 | Cairo | Misr Al-Qadima Qism | Al-Manyal Al-Sharqi | 1 |

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|---------|------------|------------------------------|--|---|
| 220 | Cairo | Misr Al-Qadima Qism | Ain Al-Sira | 1 |
| 221 | Cairo | Misr Al-Qadima Qism | Fom Al-Ghalig and Deir Al-Nahass | 1 |
| 222-223 | Cairo | New Cairo Qism Thaleth | Qatameya | 2 |
| 224-227 | Cairo | Al-Basateen Qism | Al-Basateen Al-Sharqia | 4 |
| 228-235 | Cairo | Al-Basateen Qism | Al-Basateen Al-Gharbia | 8 |
| 236-239 | Cairo | Al-Basateen Qism | El-Eissaweya | 4 |
| 240-243 | Cairo | Al-Basateen Qism | Dar As-Salam | 4 |
| 244-245 | Cairo | Al-Basateen Qism | Ezbet Gabriel | 2 |
| 246-252 | Cairo | Al-Basateen Qism | Ezbet Nafe'e | 7 |
| 253 | Cairo | Maadi Qism | Maadi Al-Khobeiry Al-Wosta | 1 |
| 254 | Cairo | Maadi Qism | Maadi As-Sarayyat Al-Sharqia | 1 |
| 255 | Cairo | Maadi Qism | Maadi As-Sarayyat Al-Gharbia | 1 |
| 256 | Cairo | Torah Qism | Torah El-Balad – previously El-Farouqeya | 1 |
| 257 | Cairo | Torah Qism | Torah El-Heit – previously Kozzika | 1 |
| 258 | Cairo | Torah Qism | Manshyet Al-Masry | 1 |
| 259-260 | Cairo | Helwan Qism | Al-Masaken Al-Iqtasadeya | 2 |
| 261-263 | Cairo | Helwan Qism | Al-Maasra Al-Balad | 3 |
| 264 | Cairo | Helwan Qism | Al-Maasra Al-Mahatta | 1 |
| 265-266 | Cairo | Helwan Qism | Helwan Al-Baharia | 2 |
| 267-270 | Cairo | Helwan Qism | Helwan Al-Balad | 4 |
| 271-272 | Cairo | Helwan Qism | Helwan Al-Sharqia | 2 |
| 273 | Cairo | Helwan Qism | Helwan Al-Gharbia | 1 |
| 274 | Cairo | Helwan Qism | Helwan Al-Qebliya | 1 |
| 275-276 | Cairo | Helwan Qism | Kafr Al-Elw | 2 |
| 277-280 | Cairo | Helwan Qism | Monshaat Nasser | 4 |
| 281-282 | Cairo | 15 th of May Qism | Shiakha Oula – Neighborhoods 1 to 6 and 13 to 19 | 2 |
| 283 | Cairo | 15 th of May Qism | Shiakha Thaletha– Neighborhoods 20 to 35 | 1 |
| 284 | Cairo | Al-Tebin Qism | Al-Tebin Al-Qebliya | 1 |
| 285 | Cairo | Al-Tebin Qism | Medinet El-Solb | 1 |
| 1 | Alexandria | Montazah | Abu-Qir Al-Gharbeya | 1 |
| 2 | Alexandria | Montazah | Tawfikya | 1 |
| 3 | Alexandria | Montazah | Syouf Bahari | 1 |
| 4-9 | Alexandria | Montazah | Syouf Qebli – including Ezbet Derbala | 6 |
| 10 | Alexandria | Montazah | Amarawy | 1 |
| 11 | Alexandria | Montazah | Kerdahy | 1 |
| 12 | Alexandria | Montazah | Maamoura | 1 |
| 13-15 | Alexandria | Montazah | Mandara Bahari | 3 |
| 16-24 | Alexandria | Montazah | Mandara Qebli – including Ezbet El-Gabal | 9 |
| 25-26 | Alexandria | Montazah | Manshiyya Bahareya | 2 |

| | | | | |
|-------|------------|-----------------|--|---|
| 27-28 | Alexandria | Montazah | Muhagreen | 2 |
| 29-31 | Alexandria | Montazah | Khorshid Bahareya | 3 |
| 32-33 | Alexandria | Montazah | Sidi Bishr Bahari | 2 |
| 34-42 | Alexandria | Montazah | Sidi Bishr Qebli | 9 |
| 43 | Alexandria | Montazah | Tolombat Al-Tabeya | 1 |
| 44 | Alexandria | El-Raml (Awal) | Qasaei Bahari | 1 |
| 45-46 | Alexandria | El-Raml (Awal) | Qasaei Qebli | 2 |
| 47-53 | Alexandria | El-Raml (Awal) | Dana El-Gedida and Ezbet Al-Westanya | 7 |
| 54-55 | Alexandria | El-Raml (Awal) | San Stefano | 2 |
| 56-57 | Alexandria | El-Raml (Awal) | Fleming | 2 |
| 58 | Alexandria | Sidi Gaber | Abul-Nawatir | 1 |
| 59-60 | Alexandria | Sidi Gaber | Sidi Gaber | 2 |
| 61-62 | Alexandria | Sidi Gaber | Ezbet El-Nozha | 2 |
| 63-65 | Alexandria | Sidi Gaber | Ezbet Saad | 3 |
| 66-67 | Alexandria | El-Raml (Thani) | Abis and Khorshid | 2 |
| 68-69 | Alexandria | El-Raml (Thani) | Al-Zaherya and Ezbet Al-Safih | 2 |
| 70-71 | Alexandria | El-Raml (Thani) | Al-Aqsa and Bakous | 2 |
| 72 | Alexandria | El-Raml (Thani) | Al-Mahroussa | 1 |
| 73-77 | Alexandria | El-Raml (Thani) | Hagar Al-Nawatya | 5 |
| 78-79 | Alexandria | El-Raml (Thani) | Zoarbana and Al-Hamam | 2 |
| 80 | Alexandria | Bab Sharqi | Al-Ibrahemya Bahari | 1 |
| 81 | Alexandria | Bab Sharqi | Al-Ibrahemya Qebli and Al-Hadra Bahari | 1 |
| 82 | Alexandria | Bab Sharqi | Al-Azarita and Al-Shatby | 1 |
| 83-84 | Alexandria | Bab Sharqi | Al-Hadra Qebli | 2 |
| 85-86 | Alexandria | Bab Sharqi | Ezbet Al-Gamea | 2 |
| 87 | Alexandria | Muharram Bek | Al-Bab Al-Gadid Sharq | 1 |
| 88 | Alexandria | Muharram Bek | Al-Bab Al-Gadid Gharb and Mansha | 1 |
| 89 | Alexandria | Muharram Bek | Al-Sabheya, Ezbet Sharkas and Ezbet Raafat | 1 |
| 90-93 | Alexandria | Muharram Bek | Ambroz and Muharram Bek | 4 |
| 94-95 | Alexandria | Muharram Bek | Paolino and Al-Askandarani | 2 |
| 96 | Alexandria | Muharram Bek | Ragheb Basha | 1 |
| 97 | Alexandria | Muharram Bek | Abis 8 | 1 |
| 98 | Alexandria | Attarin | Attarin Sharq | 1 |
| 99 | Alexandria | Attarin | Al-Messala Gharb and Sherif Basha | 1 |
| 100 | Alexandria | Manshiyya | Souq Al-Tork | 1 |
| 101 | Alexandria | Gumrok | Temrazeya | 1 |
| 102 | Alexandria | Gumrok | Sayadin | 1 |
| 103 | Alexandria | Gumrok | Zawyet Al-Qabaneya | 1 |
| 104 | Alexandria | Labban | Al-Hara Al-Wasaa and Al-Takhshiba | 1 |
| 105 | Alexandria | Labban | Meshmesh Al-Bassal | 1 |

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|---------|------------|------------------------|--|---|
| 106 | Alexandria | Karmouz | Bab Sadra Al-Barrani Gharb | 1 |
| 107 | Alexandria | Karmouz | Gheit Al-Enab Sharq | 1 |
| 108 | Alexandria | Karmouz | Gheit Al-Enab Gharb | 1 |
| 109 | Alexandria | Karmouz | Nobar | 1 |
| 110-113 | Alexandria | Mena Al-Bassal | Al-Metras (previously Om Kobeiba) | 4 |
| 114 | Alexandria | Mena Al-Bassal | Wardeyan Sharq | 1 |
| 115 | Alexandria | Mena Al-Bassal | Wardeyan Qebli | 1 |
| 116 | Alexandria | Mena Al-Bassal | Mafrouza Sharq | 1 |
| 117 | Alexandria | Mena Al-Bassal | Mafrouza Gharb | 1 |
| 118 | Alexandria | Mena Al-Bassal | Tabyet Saleh | 1 |
| 119 | Alexandria | Dekheila | Bitash Sharq | 1 |
| 120-121 | Alexandria | Dekheila | Bitash Gharb | 2 |
| 122-124 | Alexandria | Dekheila | Dekheila | 3 |
| 125-129 | Alexandria | Dekheila | Agami Bahareya | 5 |
| 130 | Alexandria | Dekheila | Al-Max | 1 |
| 131 | Alexandria | Amereya | Amereya Sharq | 1 |
| 132-133 | Alexandria | Amereya | Amereya Gharb | 2 |
| 134-135 | Alexandria | Amereya | Al-Zeraa Al-Bahari | 2 |
| 136 | Alexandria | Amereya | Hawareya | 1 |
| 137-138 | Alexandria | Amereya | Zawyet Abdel-Qader | 2 |
| 139-140 | Alexandria | Amereya | Nahda Sector | 2 |
| 141-144 | Alexandria | Amereya | Marriout Sector | 4 |
| 145-146 | Alexandria | Amereya | Margham | 2 |
| 147 | Alexandria | Borg Al-Arab | Al-Zeraa Al-Bahari | 1 |
| 148-149 | Alexandria | Borg Al-Arab New Town | Borg Al-Arab New Town | 2 |
| 1 | Portsaid | El-Sharq Qism | Ibrahim Hassanein – previously Al-Ifrang Sharq | 1 |
| 2 | Portsaid | El-Sharq Qism | Mostafa Hamza – previously Al-Ifrang Gharb | 1 |
| 3-4 | Portsaid | El-Arab Qism | El-Ezab | 2 |
| 5 | Portsaid | El-Manakh Qism | Al-Galaa | 1 |
| 6-7 | Portsaid | El-Manakh Qism | El-Manakh | 2 |
| 8-16 | Portsaid | El-Zohour Qism | El-Zohour | 9 |
| 17-18 | Portsaid | Portfouad Qism | Portfouad City | 2 |
| 19 | Portsaid | El-Dawahy Qism | As-Salam | 1 |
| 20-21 | Portsaid | El-Dawahy Qism | El-Qaboty | 2 |
| 22-23 | Portsaid | El-Dawahy Qism | Bank El-Iskan | 2 |
| 24 | Portsaid | El-Ganoub Qism | El-Ganoub (Part) – including As-sedik | 1 |
| 25 | Portsaid | El-Ganoub Qism (Thani) | El-Ganoub (Part) | 1 |
| 1-6 | Suez | Faisal Qism | Two cities of Faisal and As-Sabbah | 6 |
| 7-10 | Suez | El-Ganayen Qism | Shiakha Khames – including El-Ganayen and its components: El-Shanoufa, Goneifa Kabrit, El-Kamalo El-Dereiissa, El-Mahatta El-Malia and | 4 |

| | | | Manshyet Alef | |
|-------|----------|------------------------|---|---|
| 11-12 | Suez | Suez Qism | Qism Awal – and under it Port-twafiq including El-Manteqa El-Horra, Az-Zaitayat, and the residential area of petroleum refinery plant | 2 |
| 13 | Suez | Suez Qism | Qism Thani | 1 |
| 14-20 | Suez | Al-Arbe'en Qism | Qism Thaleth – including the area of petroleum refinery plant in the western part | 7 |
| 21-23 | Suez | Al-Arbe'en Qism | Qism Rabe'e | 3 |
| 24 | Suez | Attaqa Qism | Al-atka | 1 |
| 25 | Suez | Attaqa Qism | Medinet El-Semad | 1 |
| 1 | Ismailya | El-Qantara Markaz | El-Qantara Gharb City | 1 |
| 2 | Ismailya | El-Qantara Sharq Qism | El-Qantara Sharq City | 1 |
| 3 | Ismailya | Ismailya Qism Awal | At-Temsah | 1 |
| 4 | Ismailya | Ismailya Qism Thani | El-Araysha El-Gedida | 1 |
| 5-7 | Ismailya | Ismailya Qism Thani | El-Hekr | 3 |
| 8-9 | Ismailya | Ismailya Qism Thani | Monshaat A-Shohada' – previously Araysheyet Al-Abeed | 2 |
| 10-12 | Ismailya | Ismailya Qism Thaleth | Sheikh Zayed Hai – in addition to El-Herafyeen District and El-Iskan New District | 3 |
| 13 | Ismailya | Ismailya Markaz | Abu-Soweir El-Mahata City | 1 |
| 14 | Ismailya | At-Tal Al-Kabir | At-Tal Al-Kabir City | 1 |
| 15 | Ismailya | At-Tal Al-Kabir | El-Qassassin El-Gedida City | 1 |
| 1-2 | Damietta | Damietta Markaz | Ezbet El-Borg City | 2 |
| 3-4 | Damietta | Damietta Qism Awal | Shiakha Awal | 2 |
| 5 | Damietta | Damietta Qism Awal | Shiakha Thani | 1 |
| 6 | Damietta | Kafr Saad Markaz | Kafr El-Batikh City | 1 |
| 7 | Damietta | Kafr Saad Markaz | Meit Abu-Ghaleb City | 1 |
| 8 | Damietta | New Damietta City Qism | New Damietta City | 9 |
| 9 | Damietta | Ras El-Bar Qism | Ras El-Bar City | 2 |
| 10 | Damietta | El-Zarqa Markaz | El-Zarqa City | 1 |
| 11-12 | Damietta | Damietta Qism Thani | Shiakha Thaleth | 2 |
| 13-17 | Damietta | Damietta Qism Thani | Shiakha Rabe'e | 5 |
| 18-19 | Damietta | Fariskur Markaz | Fariskur City | 2 |
| 20 | Damietta | Fariskur Markaz | El-Roda City | 1 |
| 1-4 | Dakahlia | Al-Matariyyah Markaz | Al Matariyyah City | 4 |
| 5-6 | Dakahlia | Al-Gammaliyyah Markaz | Al Gammaliyyah City | 2 |
| 7-8 | Dakahlia | Sherbeen Markaz | Sherbeen City | 2 |
| 9-11 | Dakahlia | Belqas Markaz | Belqas City | 3 |
| 12-13 | Dakahlia | Menyat Al-Nasr Markaz | Menyat Al-Nasr City | 2 |
| 14 | Dakahlia | Menyat Al-Nasr Markaz | El-Kordy City – including the 2 villages of El-Kordy and Kafr El-Kordy | 1 |
| 15-16 | Dakahlia | Meit Salseel Markaz | Meit Salseel City | 2 |
| 17-18 | Dakahlia | Al-Manzalah Markaz | Al-Manzalah City | 2 |
| 19-21 | Dakahlia | Dekernes Markaz | Dekernes City | 3 |

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| 22 | Dakahlia | Nabarowh Markaz | Nabarowh City | 1 |
| 23-25 | Dakahlia | Talkha Markaz | Talkha City | 3 |
| 26-29 | Dakahlia | Al-Mansoura Qism Awal | Meit Talkha Qism Awal | 4 |
| 30 | Dakahlia | Al-Mansoura Qism Awal | El-Hewar Qism Thani | 1 |
| 31-32 | Dakahlia | Al-Mansoura Qism Awal | Rihan Qism Thaleth | 2 |
| 33 | Dakahlia | Al-Mansoura Qism Awal | Al-Naggar Qism Rabe'e | 1 |
| 34 | Dakahlia | Al-Mansoura Qism Awal | Sandoub and Kafr Al-Manasra | 1 |
| 35 | Dakahlia | Al-Mansoura Qism Thani | Al-Bahr Al-Saghir Qism Sabe'e | 1 |
| 36 | Dakahlia | Al-Mansoura Qism Thani | Al-Mansourya Qism -previously Torrel | 1 |
| 37-39 | Dakahlia | Al-Mansoura Qism Thani | Kafr Al-Bassas Qism | 3 |
| 40 | Dakahlia | Al-Mansoura Qism Thani | Gadeila | 1 |
| 41 | Dakahlia | Al-Mansoura Qism Thani | Delongel | 1 |
| 42 | Dakahlia | Bani-Ebeid Markaz | Bani-Ebeid City | 1 |
| 43 | Dakahlia | Aga Markaz | Aga City | 1 |
| 44-46 | Dakahlia | As-Senbellawein Markaz | As-Senbellawein City | 3 |
| 47-50 | Dakahlia | Meit Ghamr Qism | Meit Ghamr City – including Daqados | 4 |
| 1 | Sharqia | Awlad Saqr Markaz | Awlad Saqr City | 1 |
| 2 | Sharqia | Al-Husseineya Markaz | Al-Husseineya City | 1 |
| 3 | Sharqia | Kafr Saqr Markaz | Kafr Saqr City | 1 |
| 4-5 | Sharqia | Deyarb Najm Markaz | Deyarb Najm City | 2 |
| 6 | Sharqia | Al-Ibrahimeyah Markaz | Al-Ibrahimeyah City | 1 |
| 7-10 | Sharqia | Abu-Kabeer Markaz | Abu-Kabeer City | 4 |
| 11 | Sharqia | New Salehya Qism | New Salehya City – including Gabal Al-Salehya within the City + Industrial Zone | 1 |
| 12 | Sharqia | Hehya Markaz | Hehya City | 1 |
| 13-14 | Sharqia | Al-Qanayaat Qism | Al-Qanayaat City | 2 |
| 15-16 | Sharqia | Al-Qorein Qism | Al-Qorein City | 2 |
| 17 | Sharqia | Zaqaziq Qism Awal | Al-Husseineya | 1 |
| 18-20 | Sharqia | Zaqaziq Qism Awal | Al-Nahal – including Al-Mabraz | 3 |
| 21 | Sharqia | Zaqaziq Qism Awal | Monshaat Abaza – including Al-Zanad | 1 |
| 22-24 | Sharqia | Zaqaziq Qism Thani | Al-Ishara | 3 |
| 25 | Sharqia | Zaqaziq Qism Thani | Al-Hekma | 1 |
| 26 | Sharqia | Zaqaziq Qism Thani | As-Sayaddin | 1 |
| 27 | Sharqia | Zaqaziq Qism Thani | Al-Manshyya – Hassan Saleh | 1 |
| 28 | Sharqia | Zaqaziq Qism Thani | Youssef | 1 |
| 29 | Sharqia | Abou Hammaad | Abou Hammaad City | 1 |
| 30-31 | Sharqia | Menya Al Qamh | Menya Al Qamh City | 2 |
| 32-36 | Sharqia | Belbeis | Belbeis City | 5 |
| 37-38 | Sharqia | Mashtool El-Souq Markaz | Mashtool El-Souq City | 2 |
| 39-40 | Sharqia | 10 th of Ramadan Qism Awal | Part of 10 th of Ramadan City – including neighborhoods 1 to 34 | 2 |
| 41-42 | Sharqia | 10 th of Ramadan Qism Thani | Part of 10 th of Ramadan City – including neighborhoods 35 to 67 | 2 |

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| 1-2 | Qalyubia | Shubra Al-Kheima Qism Awal | Shubra Al-Kheima City | 2 |
| 3-15 | Qalyubia | Shubra Al-Kheima Qism Awal | Begam | 13 |
| 16-17 | Qalyubia | Shubra Al-Kheima Qism Awal | Damanhur Shubra | 2 |
| 18-32 | Qalyubia | Shubra Al-Kheima Qism Thani | Bahteem | 15 |
| 33-36 | Qalyubia | Shubra Al-Kheima Qism Thani | Mostorod | 4 |
| 37 | Qalyubia | Obour Qism | Obour City – including Industrial Zone A - Industrial Zone B – Residential Districts | 1 |
| 38 | Qalyubia | Kafr Shukr Markaz | Kafr Shukr City | 1 |
| 39 | Qalyubia | Banha Qism | Al-Rayyah | 1 |
| 40 | Qalyubia | Banha Qism | Al-Mansheya | 1 |
| 41-43 | Qalyubia | Banha Qism | New Banha – previously Atreeb | 3 |
| 44 | Qalyubia | Banha Qism | Kafr Manaqer | 1 |
| 45 | Qalyubia | Tukh Markaz | Tukh City | 1 |
| 46-47 | Qalyubia | Shibin Al-Qanater Markaz | Shibin Al-Qanater City | 2 |
| 48 | Qalyubia | Qaha Qism | Qaha City | 1 |
| 49-51 | Qalyubia | Al-Qanater Al-Khairya Markaz | Al-Qanater Al-Khairya City | 3 |
| 52-53 | Qalyubia | Khanka Markaz | Khanka City | 2 |
| 54-56 | Qalyubia | Qalyub Qism | Qalyub City | 3 |
| 1 | Kafr El-Sheikh | Al-Burullus Markaz | Baltim City | 1 |
| 2-3 | Kafr El-Sheikh | Al-Hamool Markaz | Al-Hamool City | 2 |
| 4 | Kafr El-Sheikh | Metobas Markaz | Metobas Markaz | 1 |
| 5 | Kafr El-Sheikh | Sidi Salem Markaz | Sidi Salem Markaz | 1 |
| 6 | Kafr El-Sheikh | Ar-Riyadh Markaz | Ar-Riyadh Markaz | 1 |
| 7-8 | Kafr El-Sheikh | Beila Markaz | Beila City | 2 |
| 9-10 | Kafr El-Sheikh | Foah Markaz | Foah City | 2 |
| 11-14 | Kafr El-Sheikh | Desouk Qism | Desouk City | 4 |
| 15 | Kafr El-Sheikh | Kafr El-Sheikh Qism | Al-Shawadfi Al-Laqani | 1 |
| 16 | Kafr El-Sheikh | Kafr El-Sheikh Qism | Al-Molhaqat | 1 |
| 17 | Kafr El-Sheikh | Kafr El-Sheikh Qism | Ali Mostafa Al-Zawawy | 1 |
| 18 | Kafr El-Sheikh | Kafr El-Sheikh Qism | Awad Al-Zawawy | 1 |
| 19 | Kafr El-Sheikh | Kafr El-Sheikh Qism | Meit Enwan | 1 |
| 20 | Kafr El-Sheikh | Kellien Markaz | Kellien City | 1 |
| 1 | Gharbia | Qator Markaz | Qator City | 1 |
| 2 | Gharbia | El-Mahalla El-Kubra Qism Awal | At-Tahrir | 1 |
| 3 | Gharbia | El-Mahalla El-Kubra Qism Awal | El-Mansy Sarhan | 1 |
| 4 | Gharbia | El-Mahalla El-Kubra Qism Awal | Hussein Sayed Ahmed Ali | 1 |
| 5 | Gharbia | El-Mahalla El-Kubra Qism Awal | Abdelhay Shalabi | 1 |

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| 6-7 | Gharbia | El-Mahalla El-Kubra Qism Awal | Mahallet El-Borg | 2 |
| 8-9 | Gharbia | El-Mahalla El-Kubra Qism Awal | Nasser | 2 |
| 10 | Gharbia | El-Mahalla El-Kubra Qism Thani | Ahmed El-Mansy | 1 |
| 11-16 | Gharbia | El-Mahalla El-Kubra Qism Thani | Imam Al-Husseiny | 6 |
| 17 | Gharbia | El-Mahalla El-Kubra Qism Thani | Mohamed Hussein El-Sahly | 1 |
| 18 | Gharbia | El-Mahalla El-Kubra Qism Thani | Mostafa Mostafa Al-Agroudy | 1 |
| 19-20 | Gharbia | Samanoud Markaz | Samanoud City | 2 |
| 21 | Gharbia | Bassyoun Markaz | Bassyoun City | 1 |
| 22-24 | Gharbia | Kafr El-Zayyat Markaz | Kafr El-Zayyat City | 3 |
| 25 | Gharbia | Tanta Qism Awal | Ad-Dawaween | 1 |
| 26-27 | Gharbia | Tanta Qism Awal | Kafr Segar | 2 |
| 28-30 | Gharbia | Tanta Qism Awal | Kobry Al-Mahatta | 3 |
| 31-32 | Gharbia | Tanta Qism Awal | Wabur El-Noor | 2 |
| 33 | Gharbia | Tanta Qism Thani | El-Salakhana | 1 |
| 34-35 | Gharbia | Tanta Qism Thani | Al-Amry | 2 |
| 36-37 | Gharbia | Tanta Qism Thani | El-Malga'a | 2 |
| 38-39 | Gharbia | Tanta Qism Thani | Ali Agha | 2 |
| 40 | Gharbia | Tanta Qism Thani | Qohafa | 1 |
| 41 | Gharbia | Al-Santa Markaz | Al-Santa City | 1 |
| 42-44 | Gharbia | Zefta Markaz | Zefta City | 3 |
| 1-2 | Monufia | Tala Markaz | Tala City | 2 |
| 3 | Monufia | Berket El-Sabe'e Markaz | Berket El-Sabe'e City | 1 |
| 4-5 | Monufia | Al-Shohada'a Markaz | Al-Shohada'a City | 2 |
| 6-7 | Monufia | Shebin El-Kom Qism | Gouda Moussa Habib | 2 |
| 8-9 | Monufia | Shebin El-Kom Qism | Sayed Ahmed Hassan El-Qot | 2 |
| 10 | Monufia | Shebin El-Kom Qism | Ali Mohamed Salima | 1 |
| 11 | Monufia | Shebin El-Kom Qism | Kafr El-Moseleha | 1 |
| 12-13 | Monufia | Quesna Markaz | Quesna City | 2 |
| 14 | Monufia | Sadat City and Markaz | Sadat City – including Adnan Madani | 1 |
| 15-18 | Monufia | Menouf City Qism | Menouf City | 4 |
| 19 | Monufia | Sers el-Lyan Qism | Sers el-Lyan City | 1 |
| 20-21 | Monufia | Bagour Markaz | Bagour City | 2 |
| 22-23 | Monufia | Ashmoun Markaz | Ashmoun Markaz | 2 |
| 1-2 | Beheira | Rosetta Markaz | Rosetta City | 2 |
| 3-5 | Beheira | Idku Markaz | Idku City | 3 |
| 6 | Beheira | Al-Mahmoudeya Markaz | Al-Mahmoudeya City | 1 |
| 7-10 | Beheira | Kafr Ad-Dawar Qism | Kafr Ad-Dawar City | 4 |
| 11 | Beheira | Ar-Rahmaneya Markaz | Ar-Rahmaneya City | 1 |
| 12 | Beheira | Abu Homos Markaz | Abu Homos City | 1 |

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| 13-14 | Beheira | Damanhur Qism | Sakneida | 2 |
| 15-18 | Beheira | Damanhur Qism | Shubra | 4 |
| 19-20 | Beheira | Damanhur Qism | Tamus | 2 |
| 21 | Beheira | Damanhur Qism | Naqraha | 1 |
| 22 | Beheira | Shubrakhit Markaz | Shubrakhit City | 1 |
| 23-24 | Beheira | Hosh Eissa Markaz | Hosh Eissa City | 2 |
| 25 | Beheira | Abul Matamir Markaz | Abul Matamir City | 1 |
| 26 | Beheira | Itay El-Baroud Markaz | Itay El-Baroud City | 1 |
| 27-28 | Beheira | Al-Delengat Markaz | Al-Delengat City | 2 |
| 29 | Beheira | Kom Hammada Markaz | Kom Hammada City | 1 |
| 30 | Beheira | Badr Markaz | Badr City | 1 |
| 31 | Beheira | Wadi El-Natrun Markaz | Wadi-El Natrun City | 1 |
| 1-12 | Giza | Imbaba Qism | Al-Monira | 12 |
| 13-14 | Giza | Imbaba Qism | Abdelnaeem – previously Ezbet Al-Sa'ayeda | 2 |
| 15 | Giza | Imbaba Qism | At-Tahrir City – Al-Masken Al-Sha'abia | 1 |
| 16 | Giza | Imbaba Qism | Al-Omal City – Shiakha Al-Omal | 1 |
| 17-18 | Giza | Imbaba Qism | Matar Imbaba – Shiakha Al-Mattar | 2 |
| 19 | Giza | Imbaba Qism | Meit Kardak | 1 |
| 20-21 | Giza | Imbaba Qism | Manteqa | 2 |
| 22 | Giza | Agouza Qism | Al-Hooteya | 1 |
| 23 | Giza | Agouza Qism | Geziret Meit Oqba | 1 |
| 24-26 | Giza | Agouza Qism | Meit Oqba | 3 |
| 27 | Giza | Agouza Qism | Al-Awqaf City – Al-l'lam | 1 |
| 28-30 | Giza | Dokki Qism | Dokki | 3 |
| 31 | Giza | Boulaq Al-Dakroul Qism | Abu Qatada – including Noffal El-Gedida and Noffal El-Qadima | 1 |
| 32-36 | Giza | Boulaq Al-Dakroul Qism | Boulaq Al-Dakroul | 5 |
| 37-40 | Giza | Boulaq Al-Dakroul Qism | Zenein | 4 |
| 41-44 | Giza | Boulaq Al-Dakroul Qism | Kafr Tohormos | 4 |
| 45-47 | Giza | Boulaq Al-Dakroul Qism | Monshaat Olyan | 3 |
| 48-49 | Giza | Boulaq Al-Dakroul Qism | Nazlet Khalaf | 2 |
| 50 | Giza | Boulaq Al-Dakroul Qism | Nazlet Bahgat | 1 |
| 51 | Giza | Sheikh Zayed Qism | Sheikh Zayed City | 1 |
| 52 | Giza | 6 th of October Qism Awal | Shiakha Thaneya | 1 |
| 53 | Giza | 6 th of October Qism Awal | Shiakha Thamna | 1 |
| 54 | Giza | Al-Ahram Qism | Kafret Al-Gabal | 1 |
| 55-57 | Giza | Al-Ahram Qism | Kafret Nassar and Mena House Hotel | 3 |
| 58-61 | Giza | Al-Ahram Qism | Monshaat Al-Bakkari | 4 |
| 62 | Giza | Al-Ahram Qism | Nazlet Al-Batran | 1 |
| 63 | Giza | Al-Ahram Qism | Nazlet As-Semman | 1 |
| 64-70 | Giza | Al-Omraneya Qism | At-Talebeya Al-Qebliya | 7 |
| 71 | Giza | Al-Omraneya Qism | Al-Omraneya Al-Sharqia | 1 |

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| 72-79 | Giza | Al-Omraneya Qism | Al-Omraneya Al-Gharbia | 8 |
| 80-83 | Giza | Al-Omraneya Qism | Al-Kanissa | 4 |
| 84-85 | Giza | Al-Omraneya Qism | Al-Kom Al-Akhdar | 2 |
| 86-89 | Giza | Al-Omraneya Qism | Oula Al-Haram | 4 |
| 90-92 | Giza | Giza Qism | Al-Monib | 3 |
| 93-94 | Giza | Giza Qism | Geziret Al-Dahab | 2 |
| 95 | Giza | Giza Qism | Hara Oula | 1 |
| 96-97 | Giza | Giza Qism | Hara Raba'a | 2 |
| 98 | Giza | Giza Qism | Saqiet Mekki | 1 |
| 99 | Giza | 6 th of October Qism Thani | Shiakha Khamsa | 1 |
| 100 | Giza | 6 th of October Qism Thani | Shiakha Sadsa | 1 |
| 101 | Giza | 6 th of October Qism Thani | Shiakha Ashra | 1 |
| 102 | Giza | 6 th of October Qism Thani | Shiakha Hadyet Ashar | 1 |
| 103-105 | Giza | Oseem <i>Markaz</i> | Oseem City | 3 |
| 106-116 | Giza | Al-Waraq <i>Qism</i> | Al-Waraq City | 11 |
| 117-119 | Giza | Kerdassa <i>Markaz</i> | Kerdassa City | 3 |
| 120-121 | Giza | Giza <i>Markaz</i> | Abu El-Nomros City | 2 |
| 122-125 | Giza | El-Hawemdya <i>Qism</i> | El-Hawemdya City | 4 |
| 126-127 | Giza | El-Badrashin <i>Markaz</i> | El-Badrashin City | 2 |
| 128 | Giza | Al-Saf <i>Markaz</i> | Al-Saf City | 1 |
| 129-130 | Giza | El-Ayat <i>Markaz</i> | El-Ayat City | 2 |
| 1-2 | Beni Suef | Al-Wasseti <i>Markaz</i> | Al-Wasseti City | 2 |
| 3-8 | Beni Suef | Nasser <i>Markaz</i> – previously Bosh | Nasser City | 6 |
| 9-10 | Beni Suef | Ahnasya <i>Markaz</i> | Ahnasya City | 2 |
| 11-14 | Beni Suef | Beba <i>Markaz</i> | Beba City | 4 |
| 15-17 | Beni Suef | Samasta <i>Markaz</i> | Samasta City | 3 |
| 1 | Fayoum | Tamya <i>Markaz</i> | Tamya City | 1 |
| 2-4 | Fayoum | Sinnuras <i>Markaz</i> | Sinnuras City | 3 |
| 5-6 | Fayoum | Ebshway <i>Markaz</i> | Ebshway City | 2 |
| 7-8 | Fayoum | Fayoum <i>Qism</i> | Qism Awal | 2 |
| 9-11 | Fayoum | Fayoum <i>Qism</i> | Qism Thani | 3 |
| 12-14 | Fayoum | Fayoum <i>Qism</i> | Qism Thaleth | 3 |
| 15-16 | Fayoum | Fayoum <i>Qism</i> | Qism Rabe'e | 2 |
| 17 | Fayoum | Fayoum <i>Qism</i> | Dar El-Ramad | 1 |
| 18-19 | Fayoum | Atsa <i>Markaz</i> | Atsa | 2 |
| 1 | Minya | Al-Idwa <i>Markaz</i> | El-Idwa City | 1 |
| 2-3 | Minya | Maghagha <i>Markaz</i> | Maghagha City | 2 |
| 4-6 | Minya | Beni Mazar <i>Markaz</i> | Beni Mazar City | 3 |
| 7 | Minya | Matai <i>Markaz</i> | Matai City | 1 |
| 8-10 | Minya | Samalut <i>Markaz</i> | Samalut City | 3 |
| 11-12 | Minya | Minya <i>Qism</i> | Qism Awal | 2 |

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| 13 | Minya | Minya <i>Qism</i> | Qism Thaleth | 1 |
| 14-15 | Minya | Minya <i>Qism</i> | Qism Rabe'e | 2 |
| 16-17 | Minya | Minya <i>Qism</i> | Qism Khames | 2 |
| 18 | Minya | Minya <i>Qism</i> | Kafr El-Mansoura El-Qebli | 1 |
| 19-20 | Minya | Abu Qirqas <i>Markaz</i> | El-Fekreya City – including Monshaat El-Fekreya | 2 |
| 21 | Minya | Mallawi <i>Qism</i> | Qism Awal | 1 |
| 22-23 | Minya | Mallawi <i>Qism</i> | Qism Thani | 2 |
| 24-25 | Minya | Mallawi <i>Qism</i> | Qism Rabe'e | 2 |
| 26 | Minya | Deir Mawas <i>Markaz</i> | Deir Mawas City | 1 |
| 1-3 | Assiut | Dairut <i>Markaz</i> | Dairut City | 3 |
| 4-5 | Assiut | El-Qusiya <i>Markaz</i> | El-Qusiya City | 2 |
| 6-7 | Assiut | Manfalut <i>Markaz</i> | Manfalut City | 2 |
| 8-9 | Assiut | Abnub <i>Markaz</i> | Abnub City | 2 |
| 10 | Assiut | El-Fateh <i>Markaz</i> | El-Fateh City – including Nasseryia | 1 |
| 11 | Assiut | Assiut <i>Qism (Awal)</i> | Oula | 1 |
| 12 | Assiut | Assiut <i>Qism (Awal)</i> | Thanya | 1 |
| 13 | Assiut | Assiut <i>Qism (Awal)</i> | Thaltha | 1 |
| 14 | Assiut | Assiut <i>Qism (Awal)</i> | Khamsa | 1 |
| 15-16 | Assiut | Assiut <i>Qism (Awal)</i> | Sadsa | 2 |
| 17 | Assiut | Assiut <i>Qism (Awal)</i> | El-baysseri | 1 |
| 18 | Assiut | Assiut <i>Qism (Thani)</i> | El-Hamra El-Thanya | 1 |
| 19 | Assiut | Assiut <i>Qism (Thani)</i> | El-Waleedeya El-Bahareya | 1 |
| 20 | Assiut | Assiut <i>Qism (Thani)</i> | El-Waleedeya El-Qeblya | 1 |
| 21-22 | Assiut | Assiut <i>Qism (Thani)</i> | El-Shiakha El-Sabea | 2 |
| 23 | Assiut | Sahel Selim <i>Markaz</i> | Sahel Selim City | 1 |
| 24-25 | Assiut | Abu-Tig <i>Markaz</i> | Abu-Tig City – including Nazlet El-felyo | 2 |
| 26-27 | Assiut | El-Badari <i>Markaz</i> | El-Badari City | 2 |
| 28 | Assiut | El-Ghanayem <i>Markaz</i> | El-Ghanayem City | 1 |
| 1-2 | Sohag | Tema <i>Markaz</i> | Tema City | 2 |
| 3-5 | Sohag | Tahta <i>Qism</i> | Tahta City including Naga' El-Zaraby and Naga' Hammouda | 3 |
| 6 | Sohag | Juhayna El-Gharbya <i>Markaz</i> | Juhayna City | 1 |
| 7 | Sohag | El-Maragha <i>Markaz</i> | El-Maragha City | 1 |
| 8 | Sohag | Sakulta <i>Markaz</i> | Sakulta City | 1 |
| 9 | Sohag | Sohag <i>Qism (Awal)</i> | El-Kholy | 1 |
| 10 | Sohag | Sohag <i>Qism (Awal)</i> | El-Sheriff | 1 |
| 11 | Sohag | Sohag <i>Qism (Awal)</i> | Saleh | 1 |
| 12 | Sohag | Sohag <i>Qism (Awal)</i> | Mazen | 1 |
| 13-14 | Sohag | Sohag <i>Qism (Thani)</i> | El-Kabsh | 2 |
| 15-17 | Sohag | Akhmim <i>Markaz</i> | Akhmim City | 3 |
| 18-19 | Sohag | El-Monshaa <i>Markaz</i> | El-Monshaa City | 2 |

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|-------|--------------------|-----------------------------|----------------------------|---|
| 20-23 | Sohag | Girga City <i>Qism</i> | Girga City | 4 |
| 24 | Sohag | Dar El-Salam <i>Markaz</i> | Dar El-Salam <i>Markaz</i> | |
| 25 | Sohag | El-Balyana <i>Markaz</i> | El-Balyana <i>Markaz</i> | |
| 1-2 | Qena | Qena <i>Qism</i> | Al-Hamidat | 2 |
| 3 | Qena | Qena <i>Qism</i> | Qism Awal | 1 |
| 4 | Qena | Qena <i>Qism</i> | Qism Thani | 1 |
| 5-6 | Qena | Qena <i>Qism</i> | Qism Thaleth | 2 |
| 7 | Qena | Qena <i>Qism</i> | Hagez Qena | 1 |
| 8 | Qena | Deshna <i>Markaz</i> | Deshna City | 1 |
| 9 | Qena | Abu Tesht <i>Markaz</i> | Abu Tesht City | 1 |
| 10-11 | Qena | Farshout <i>Markaz</i> | Farshout City | 2 |
| 12-13 | Qena | Naga' Hammadi <i>Markaz</i> | Naga' Hammadi City | 2 |
| 14-15 | Qena | Qus <i>Markaz</i> | Qus City | 2 |
| 16 | Qena | Naqada <i>Markaz</i> | Naqada City | 1 |
| 17-18 | Qena | Armant <i>Markaz</i> | Armant City | 2 |
| 19-20 | Qena | Esna <i>Markaz</i> | Esna City | 2 |
| 1-3 | Aswan | Edfu <i>Markaz</i> | Edfu City | 3 |
| 4 | Aswan | Edfu <i>Markaz</i> | El-Seba'ayia City - Gharb | 1 |
| 5 | Aswan | Edfu <i>Markaz</i> | Al-Rodeiseyia City – Qebli | 1 |
| 6-8 | Aswan | Kom Ombo <i>Markaz</i> | Kom Ombo City | 3 |
| 9-10 | Aswan | Deraw <i>Markaz</i> | Deraw City | 2 |
| 11-13 | Aswan | Aswan <i>Qism</i> | Oula | 3 |
| 14-18 | Aswan | Aswan <i>Qism</i> | Thanya | 5 |
| 19-21 | Aswan | Aswan <i>Qism</i> | Thaletha | 3 |
| 22 | Aswan | Aswan <i>Qism</i> | Khazan Aswan | 1 |
| 1-2 | Luxor City Council | Luxor <i>Qism</i> | Luxor City | 2 |
| 3-4 | Luxor City Council | Luxor <i>Qism</i> | Qorna | 2 |
| 5 | Luxor City Council | Luxor <i>Qism</i> | New Karnak | 1 |
| 6-7 | Luxor City Council | Luxor <i>Qism</i> | Monshaat Al-amari | 2 |

ANNEX B: CENSUS POPULATIONS OF URBAN EGYPT

Table B.1: Total Population and Urban Population of Egypt in 1996 and 2006

| Governorate | 1996 | | 2006 | |
|--------------------------|-------------------|-------------------|-------------------|-------------------|
| | All | Urban | All | Urban |
| Cairo | 6,045,295 | 6,045,295 | 7,786,640 | 7,786,640 |
| Alexandria | 3,339,076 | 3,339,076 | 4,110,015 | 4,110,015 |
| Portsaid | 472,335 | 472,335 | 570,768 | 570,768 |
| Suez | 417,527 | 417,527 | 510,935 | 510,935 |
| Ismailiya | 714,828 | 359,645 | 942,832 | 437,670 |
| Damietta | 913,555 | 250,578 | 1,092,316 | 419,493 |
| Dakahlia | 4,223,919 | 1,174,466 | 4,985,187 | 1,390,947 |
| Sharqia | 4,281,068 | 964,731 | 5,340,058 | 1,232,973 |
| Qalyubia | 3,301,244 | 1,340,815 | 4,237,003 | 1,599,230 |
| Kafr el-Sheikh | 2,223,659 | 509,790 | 2,618,111 | 603,890 |
| Gharbia | 3,406,020 | 1,058,615 | 4,010,298 | 1,200,752 |
| Monufia | 2,760,431 | 548,013 | 3,270,404 | 668,703 |
| Beheira | 3,994,297 | 910,276 | 4,737,129 | 907,300 |
| Giza | 4,784,099 | 2,589,807 | 6,272,571 | 3,676,034 |
| Fayoum | 1,989,774 | 446,773 | 2,512,792 | 564,596 |
| Beni-Suef | 1,859,214 | 437,671 | 2,290,527 | 532,539 |
| Minya | 3,310,129 | 643,059 | 4,179,309 | 786,581 |
| Assiut | 2,802,334 | 764,206 | 3,441,597 | 906,864 |
| Sohag | 3,123,115 | 678,657 | 3,746,377 | 801,360 |
| Qena | 2,442,016 | 517,649 | 3,001,494 | 643,097 |
| Luxor | 316,138 | 166,308 | 451,318 | 213,819 |
| Aswan | 974,068 | 415,130 | 1,184,432 | 502,863 |
| Total Urban Egypt | 57,694,141 | 24,050,422 | 71,292,113 | 30,067,069 |

Source: Preliminary Results of the 2006 Census of Egypt, CAPMAS. The final CAPMAS results incorporate administrative changes in 2008 which created two new governorates out of Greater Cairo, which makes difficult time comparisons with earlier censuses.

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