

Fairmont
RESIDENCES
ROYAL PALM MARRAKECH

BUYER'S GUIDE

Three neighbourhoods of spacious homes cradled in a vibrant, majestic landscape

ATLAS | OLIVERAIE | OCRE

BUYER'S GUIDE

Are the properties sold freehold or leasehold?

Properties are sold freehold through the VEFA system (the VEFA, or 'vente en l'état futur d'achèvement', refers to the sale of property in future state of completion, i.e., off-plan). The title deed, or 'acte authentique de vente', is transferred at the final instalment of payment at the notary. At Royal Palm Marrakech the title deed is obtained once the group of villas in which your specific villa belongs is completed. This is to guarantee completion of your vicinity and minimize disturbance from ongoing construction.

Are the properties available for purchase by all nationalities?

Yes. There are no restrictions on foreign ownership.

What are the payment terms?

In accordance with VEFA law, stage payments on purchasing a Fairmont Residence are as follows:

- 5% on the reservation contract (fully refundable for one month or in the event the developer is unable to move forward with the precinct)
- 5% on signature of the Preliminary Contract
- 10% on start of construction
- 30% on completion of foundation and base floor
- 25% on completion of grey works (roof and walls)
- 5% on completion of works and delivery of 'Permis d'Habiter'
- 20% at the signature of the final sale agreement and delivery

For the purchase of a Fairmont Estate (land only):

- 100% on signature of sale agreement and delivery

What are the main contractual documents associated with buying a villa or plot?

To purchase a property, you first need to sign:

- a) a Reservation Contract with a maximum duration of 6 months
- b) the Owner Benefits and Rental Agreement with the Hotel. This will comprise:

(i) Rental Programme (optional)

(ii) Owner Benefits Programme (full details available upon request)

(iii) Hotel Services

c) a Preliminary Contract.

At the point of purchase (completion), you will be required to sign two further documents including the Deed of Sale (acte authentique de vente') and the Association Governing document.

The villas are being sold 'off-plan' and are therefore yet to be constructed. Villa sales will be delivered through VEFA (vente en état futur d'achèvement) . Contact us and we'll be pleased to provide a copy of the Owner FAQs for more details.

For the purchase of a plot of land (Fairmont Estates), the sale is concluded once the signing of the final Deed of Sale takes place. This normally takes place after signing a Reservation Contract ('Compromis de Vente'). However, in certain circumstances you may go straight to signing the Deed of Sale.

How long does it take to construct a villa?

This depends on the villa, options and any changes required by the buyer, but delivery is typically 18 months from the date of signing the preliminary contract (which happens after the pre-sale lead time covered by the reservation contract) when all options and changes have been agreed and finalised.

Is there a Rental Programme in place for the Fairmont Residences?

Yes, there is an optional rental programme in which owners may participate that is managed through the Hotel. Contact us and we'll be pleased to provide a copy of the Owner FAQs for more details.

Is it compulsory to rent out my villa and can I make it my primary residence?

It is not compulsory to rent out any of the 28 Fairmont Residences (Ocre and Oliveraie zones) or any of the homes to be built on the 11 Fairmont Estates plots of land (Atlas zone). The owner has freehold title to their property which

BUYER'S GUIDE

guarantees personal use 365 days per year as their primary residence.

The rental programme is optional. However, if you have purchased a Fairmont Residence (Ocre and Oliveraie zones) and wish to rent out your home then you must enter the rental programme as you cannot privately rent out your home. This does not prohibit you from allowing friends and family use of your property. If you are the owner of a Fairmont Estate property (Atlas zone) then you have the choice entering the hotel rental programme or privately renting out your home.

What flexibility is there in villa design and can I bring my own architect?

The Fairmont Residences come with an extensive range of design options. A dedicated team of architects is available to customise villas within the architectural and landscaping guidelines of the relevant zone (Ocre, Oliveraie). This is the most cost-effective process prior to signing the preliminary contract. Customisation post-contract is at the discretion of the developer. However, this is likely to become more expensive as design, procurement and construction progress.

Fairmont Estates (Atlas zone plots) allow owners to manage the design and construction of their villa using their choice of architect and management team; providing the conditions outlined in the rules governing the Atlas zone, and the constraints of the estate architectural and landscaping guidelines, are adhered to.

A specific 'turn key' villa type has been designed for the Fairmont Estates for those owners that don't wish to commission their own architect. This villa type can be built for the owners using the process outlined for Fairmont Residences.

Are there any restrictions on how owners furnish their villas?

Owners not participating in the Rental Programme may furnish villa interiors and external areas not visible to other owners according to their personal taste. However, an owner may only participate in the Rental Programme if the owner has purchased a Fairmont-approved FF&E and OS&E package for their villa. Owners can select from a choice of interior design concepts that have been curated by the developer, with only limited possibilities for customisation.

If I buy an Atlas plot, do I have to build my villa within a certain timeframe?

Yes. From the date the title deed is transferred into your name you have two years to apply for a building permit and your villa must be completed within five years.

What currencies are accepted for purchasing a property?

All properties are sold in Moroccan Dirhams. Banks in Morocco accept all major currencies that are traded by the Bank Al Maghrib (USD, EUR, GBP, AED, RMB, etc.). Our properties are sold and must be paid for in Moroccan Dirham. You will need to open a "Dirham convertible" bank account in Morocco. When you transfer your foreign currency into this account, the funds will be automatically converted to enable you to effect payment in Moroccan Dirhams. We have approved FX partners that can assist with this procedure.

What taxes and charges do buyers need to be aware of?

Over and above the sales prices, the owner will have to pay the:

- Registration Duty (4% of Sales Price)
- Cadastral Fee (1.5% of Sales Price + 150 MAD)
- Service charges (details available upon request)
- Capital gains tax applies to all resales (the amount varies so please ask for details)

How much are the notary fees?

1% excluding TVA (VAT) of the sales price.

Do buyers have to undergo any screening?

There is no compulsory screening. However, due diligence is required to ensure that funds are clean and comply with anti-money laundering requirements. Funds need to be transferred via a bank account in Morocco and be registered under the name of the buyer(s).

For more information, contact the Royal Palm Marrakech Sales Team

MA: +212 (0) 800 008 009 FR: +33 (0) 801 230 800 EN: +44 (0) 333 939 8780
E: residences@royalpalmmarrakech.com

WWW.ROYALPALMMARRAKECH.COM