



SUCCESS STORY

Real Estate Reform Enables Egyptians to Own Homes

USAID project cuts real estate hassles for owners and lenders



Photo: Chemonics

A teller prepares for the grand opening of the property registration office in the Mokattam district of Cairo.

When Egyptians have registered property titles, they also have easier access to credit and security in the piece of land and home they own.

Telling Our Story
U.S. Agency for International Development
Washington, DC 20523-1000
<http://stories.usaid.gov>

A new real estate office in one of Cairo's poorest slums is enabling more residents to buy homes and protect their property rights. In Mokattam, a district home to tens of thousands of *zabaleen*, or garbage collectors, the state-of-the-art office is processing property registration quicker and more accurately than ever before. Given the district's high number of planned and already existing residential development and the high concentration of lower-income residents, USAID and the Government of Egypt selected Mokattam to be the flagship registry office.

Through a USAID project, international land registration experts implemented a fully-automated, operational model registry office in Mokattam. The registry streamlined the management of files and documents and allows for more efficiency as paper documents are now automated through the different bureaus for electronic signatures. Specific documents that require manual signatures, such as final deeds, are signed then also scanned into the registry database for record keeping.

A decade ago, 90 percent of urban real estate and land were not formally registered in Egypt. On average, 93 days were required to register a simple transfer of property, and registration costs were equivalent to seven percent of the property's value.

The first major step in modernizing mortgage finance infrastructure in Egypt was to create an electronic records system. This made records dramatically easier for prospective buyers and mortgage lenders to search and determine the right owner. Egyptian Financial Services (EFS) re-engineered their business process to decrease registration time and then began training their staff. EFS established a Training Development Center and developed a five-week training program. With USAID support, about 140 staff members were trained in the core curriculum, customer service, and IT.

"The training was excellent," said Mona Masry, a senior technical investigator in the Real Estate Publicity Department. "It's fantastic to have all information available on one screen and not have to search through stacks of paper records. It makes our work quicker and easier, and this will mean better services for the public."

The technical assistance has created a demand-driven property registration environment in Mokattam. Also, the incidence of errors has been significantly reduced, while protection of property records and ownership information has increased markedly.

The World Bank's Doing Business 2008 report, comparing regulation of 178 countries' economies in the period between April 2006 and June 2007, named Egypt the top economic reformer in the region and the world, highlighting property registration as a key factor. According to the report, simplification of administrative procedures for property registration ensured Egypt's spot among the top 10 reformers around the world. The average number of days to register property in Egypt dropped from 193 in 2007 to 74 in 2008. The project has improved the livelihoods of many Egyptians by formalizing their property rights, facilitating mortgage finance, and enabling more Egyptians to own their home.