

Looking for housing?



If you are looking for accommodation, you will have plenty of choices.

This section presents housing supply, housing laws and all the regulations governing the procedures if you want to build or buy your home, etc.

► Diversified offer of housing

The housing supply in Morocco is diverse. It allows you to choose between several types of housing: villas, apartments and/or studios, houses ... within several categories:



Economic homes: They benefit from the royal support as a large number of projects are launched across the Kingdom in favor of the neediest people or with a limited income.

Housing of average standing: The sector is expanding fast. It provides people with an average or even higher salaries some housing opportunities that suit them.

Luxury homes: They are known for the quality of their equipment and the high quality services offered in residences with this category of housing.

Home prices, being for sale or for rent, vary depending on the type, the category, the area, the city and the neighborhood.

The Government has defined a set of strategic guidelines to double housing production in the medium term in order to meet the high demand for housing. It is also willing to encourage investment in this high-value-added sector and to restructure public companies in this sector.

These strategic guidelines have another ambition, which is to facilitate access to housing through:

- Streamlining the conditions for granting credit;
- The mobilization of long-term resources for the sector;
- The creation of a National Solidarity Fund for Employees' Housing;
- Strengthening the links between government and promoters through partnerships;
- Streamlining property taxation and its adaptation to local living conditions with the aim of boosting investment in the housing sector.

Looking for authenticity? Choose a Riad

The Riad is the Moroccan traditional construction. These typical houses are organized around a courtyard that opens to several living rooms and bedrooms. The price of a Riad depends on its location, its condition, its size, its decoration and the construction materials.



Looking for comfort and modernity? Opt for a villa or an apartment

In Morocco, real estate programs are proliferating to meet the growing demand for housing. You will find a range of villas and new residences, including sometimes some top-of-the-range amenities (swimming pool, hammam, gardens and palm groves, guard service, restaurants ...).

Please note that housing in Morocco is governed by several laws and regulations, including:

- Law No. 18-00 on the condominium;
- The 67-12 law on the leasing agreement.



For more information about regulations and legislation governing housing, please visit the website: www.mhu.gov.ma

► Renting a House

The lease in Morocco is governed by the law 67-12, which defines the contractual relationship between landlords and tenants of premises used for residential or professional use, furnished or unfurnished, and for leasing agreements that exceed 30 days. This law treats the lease, the deposit, the cost increases, the resiliation, the eviction and the healthiness of the premises.

Among the provisions of the law 67-12:



- **The obligation to have a written lease contract.**
- **The need to draw up an inventory at the end of the lease agreement which must contain the names of the two parties, their occupations...**
- **The price, its revision, and the rate of revision: it is now up to the concerned parties to determine them.**
- **The regulation of the rent increase that can be done in a time interval of less than three years from the date of the transaction.**
- **The notice period is set at 2 months.**
- **The deposit paid by the tenant is equivalent to two months' rent.**
- **Tenant's right to require improvements of the premise (water system, ventilation, electricity ...).**

► Construction and purchase of an accommodation

✓ Purchase

Buying a property is not an easy task which is why you should not hesitate to contact professionals like your banker or a real estate agent.

To finance your home you can contact various banking institutions.

Take some time to explore the area ...

It is necessary to spend time there before making any purchase. You do not just buy a home: you opt for a city and a neighborhood which will become part of your life during your stay.



Ask yourself the following questions: Is the environment good for you? Can you adapt to its pace and style (noise, distance from the center...)? Do the equipment and infrastructure suit your needs?

Know the market

Feel free to multiply visits to get an idea on prices. Visit several properties to fully appreciate them at fair value and to compare them. This will make you avoid unpleasant surprises.



Obtain the ownership title before signing the sales agreement

It is necessary to obtain the ownership title at the Land Conservation and to translate it if necessary. Some titleless properties, known as "melkia" are governed by Islamic law and are not yet registered in the Land Conservation. Checking is mandatory as the property may belong to many heirs.



Sign the sale contract with a notary

Make sure to sign your contract in presence of a notary. Check with the relevant authorities that the sales contract was drawn up in due form.



Taxes and fees

Any real estate transaction in Morocco, is accompanied by tax regulations and miscellaneous costs:

- Registration⁹ fees during the acquisition of a property. This tax applies to the total value of the property stated in the contract, including the VAT;
- Notarial fee is a fee due at the time of the drafting of deeds and is collected by the Treasury;
- Land conservation costs;
- Update of constructions notified to the Land Conservation (if necessary);
- Notary fees;
- Other costs (stamps, etc.);
- Real estate agency fees (in the case where the purchase is made through an agency).



✓ Construction

In order to start your construction, you must send to the municipality a construction application and a set of documents relevant to your project.

Your demand is then examined by a specialized committee that decides on the acceptance and the issuance of a building permit.

This committee has the freedom to refuse your request, accept, or accept under reserve. In the last case, you should comply with the remarks made by the Commission regarding your request and re-file in order to get the building permit.

When the construction work is complete, you must declare it and ask for a housing permit from the Service of Plans in the municipality or the district. This permit is issued after checking the compliance of your construction.

⁹ CGI- 2014 version



For more information about administrative procedures related to construction, please visit the sections "How to proceed if ..." and "Housing and real estate" on the website: www.service-public.ma



To ensure integration of immigrants and refugees in Morocco, measures have been taken by the Ministry in charge of Moroccans Living Abroad and Migration Affairs and the Ministry of Housing and Urban Policy allowing you to enjoy real estate programs subsidized by the state, in the same conditions as other Moroccan citizens. These measures were adopted by the Finance Act of the year 2015. It is about:

- **Low property value Housing (140,000 DH) intended for a category with an income not exceeding twice the "minimum wage";**
- **Social Housing, with a sale price not exceeding 250,000 DH, excluding value added tax;**
- **Housing for the middle class for those whose net monthly income tax does not exceed 20,000 dirhams.**

Furthermore, foreigners residing in Morocco will be entitled to benefit from warranty products offered by the Fund "DAMANE Assakane" designed to guarantee the loans granted by credit institutions to target populations.

What you need to REMEMBER

It is strongly recommended to do some checking in order to find out about local practices, neighborhoods and surrounding areas, average rent (or purchase price) depending on the location, schools and/or day care centers that are close by ... Furthermore, many real estate agents or real estate websites offer some services that can be very helpful to you.

✓ Housing-related taxes

Taxes and duties are related to housing and differ following two cases:

Case of built-up lands

- The housing tax, also known as the urban tax (TU)¹⁰ : It applies to buildings and constructions of any kind, occupied in whole or in part by their owners as a primary or secondary residence, or left available to their spouses, parents or children. The scale of the housing tax consists of four slices of annual rental value. This rental value is fixed according to the average rents for similar dwellings located in the same neighborhood. The rental value is revised every five years with a 2% increase.
- The fee for communal services (TSC)¹¹: This is a local tax applicable to buildings regardless of their destination. This tax is established annually on the basis of the rental value (annual VL).

Concerning the providers of such taxes, common law principle applies. The role of the tax is issued to the owner who is, theoretically, liable for tax. But in reality this is not always the case as it depends on the contract between the two parties.

For vacant lands, you must pay two taxes:

- The tax on lands which are not built on (depending on the municipality) and is applicable only on lots located within urban areas;
- The tax of Communal Services TSC.



¹⁰ Law No 47-06 which the promulgation is done by the Dahir 1-07-195 Kaada 1428 (30 November 2007)

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For more information about the taxes payable in your real estate transactions, please visit the website of Land Conservation Agency of Cadastre and Cartography: www.ancfcc.gov.ma, the website of the General Treasury of the Kingdom: www.tgr.gov.ma and the site of the Ministry of Economy and Finance: www.finances.gov.ma