Project Atlas: Marriott Courtyard Morocco

A 180-Key Merchant-Build Strategy Targeting the 2030 FIFA World Cup Demand Surge

The Macro Opportunity: Morocco 2030

Unprecedented Tourism Boom

Morocco is actively shifting from a reliance on luxury resorts to modern, standardized upper-midscale stock.

- Record 17.4M international visitors in 2024.
- National target: 26M annual visitors by 2030.
- $4B national hotel expansion plan underway.

The 2030 Catalyst

Co-hosting the 2030 FIFA World Cup with Spain and Portugal is transforming the North African hospitality landscape.

- $20B infrastructure masterplan across host cities.
- Mandate for 60,000 new beds to meet capacity.
- Institutional buyers aggressively seeking stabilized assets pre-2030.

CapEx: 180-Key Courtyard Prototype

Estimated development costs ($92k - $130k per key) reflecting Moroccan commercial build rates which are ~30% below European averages.

Cost Category	Estimated Range (USD)	Detail Notes
Hard Costs	$10.0M - $13.5M	10-story shell (9k-10k m² GFA), MEP, elevators, turnkey finishes.
FF&E	$3.0M - $4.5M	Marriott required quality tiers ($16k-$25k/key).
Soft Costs	$2.5M - $3.5M	Architect/engineering (5-7%), permits, project management.
Marriott Fees & Pre-Op	$1.05M - $1.9M	Franchise fees ($105k+), IT, design review, working capital.
Total (Excl. Land)	**$16.5M - $23.4M**	Approx. 165M to 234M Moroccan Dirham (MAD).

Government Grants & Capital Subsidies

The Investment Charter

Direct cash grants covering up to **30%** of eligible CapEx for projects over 50M MAD. Premiums stack based on sector (tourism), territory (non-saturated hubs), and job creation.

Fiscal Relief

Immediate **VAT and Customs exemptions** on all imported FF&E and machinery. Reduced corporate tax schedules for the first five years of operation stabilize early cash flow.

Debt Guarantees

Access to state-backed guarantee funds (Damane Istitmar) for senior debt, reducing required collateral and lowering commercial interest rates for new builds.

Financial Underwriting & Exit Strategy

Projecting returns based on a merchant-build model targeting institutional acquisition in late 2029.

Target Operating Metrics (Upper-Midscale)

Based on current performance in primary Moroccan hubs (Casablanca, Marrakech, Rabat). The market is seeing rate-driven recovery.

The Merchant-Build Return Profile

40%+

Target Leveraged IRR

Value Creation Drivers

- **Equity Reduction:** Government grants (up to 30%) artificially reduce the initial sponsor equity basis.
- **Event Pricing Spike:** Late 2029 buyers will underwrite inflated forward NOI based on 2030 World Cup ADR premiums.
- **Cap Rate Compression:** A stabilized, Marriott-flagged asset in a host city will command premium exit cap rates (est. 8.0%) from yield-starved institutional buyers.

Exit Landscape: Target Acquirers (2029)

Sovereign Wealth PE

Funds like QIA-backed Kasada Capital are actively expanding in Morocco, seeking turnkey stabilized assets pre-World Cup.

European Operators

Spanish groups (Iberostar, Meliá) utilizing JV capital to acquire and reflag assets in key hubs like Casablanca and Tangier.

Domestic Institutions

Moroccan REITs and family offices funding 75% of the pipeline, preferring international brands like Marriott to manage operations.

Questions?

Appendix: Legal Structuring & Detailed Proformas Available