



Riad Harmonia, Marrakesh, Morocco



Information Document



Executive Summary of offer document

Room to Invest (Rti) has purchased a hotel (Riad) in Marrakesh, Morocco called Riad Harmonia which is situated within the ancient walled area of the Medina.

Rti is offering investors the chance to benefit from the income and the capital growth that accrues to the hotel by selling either complete hotel rooms or hotel room fractions.

Hotel room fractions are calculated by dividing the hotel room into week fractions of 52 weeks per year. These fractions are called Room Rights.

Level of Investment

The Room Rights and whole rooms have the following levels of investment;

Riad Harmonia – Investment Level Room Rights & Whole Rooms			
Room Type	No of Rooms	Value of Room Rights	Value of Whole Rooms
Suite	5	£9,250	£481,000

Investors who purchase a whole room can enjoy substantial discounts over the normal room right investment and an extended guaranteed income period. Investors who purchase more than one room right will receive a 5% repeat investor discount.

Income from your investment

Room right investors receive a minimum guaranteed 8% income on any investment made for 3 years from their purchase date. Any income over the guaranteed amount will also be paid to the investor.

After this period investors receive income based on the occupancy of the hotel. The likely expected return from occupancy would be in the region of 10% per annum.

This income will be paid within 30 days from the 31st of December (the end of each calendar year).

Selling your investment

When the hotel is sold investors will receive a share in the capital value of the hotel together with any appreciation in the capital value (or freehold value) of the hotel room in direct proportion to their investment in the hotel less any expenses relating to the sale.

Alternatively investors can sell their room rights via our online trading exchange which is available to view on our website <http://www.roomtoinvest.co.uk/TradingPlatform.html>

Investors also benefit from 7 nights free accommodation in any hotel in the Rti group of hotels (including the Riad Harmonia).



2. Due Diligence/ offer document

The following details below give more detail on the offering to investors and the various terms and conditions attached to the offer;

Financial Information

Offer Price of Room Rights

Room to Invest is offering the opportunity to invest in either a double room or a luxury suite in Riad Harmonia.

The price per room right per is £9,250. Investors are able to purchase multiple suites subject to availability.

Investors can purchase any number of room rights and in doing so will automatically qualify for a 5% discount on any other room right investment offered by Room to Invest.

The room rights for the Riad Harmonia have been calculated on the following basis;

Riad Harmonia - Calculation of room right value					
Room Type	No of Rooms	No of Weeks	No of Room Rights	Value of Room Rights	Value of Room Rights
Suite	5	52	260	£9,250	£2,405,000
Value of Hotel as per Valuation 30th September 2010					£2,000,000

The difference between the valuation of the hotel and the total value of the room rights is due to recent renovation work that has taken place post valuation on the hotel which makes the hotel a more valuable asset.

Income paid per Room Right

Room right investors receive a minimum guaranteed 8% income on any investment made for 3 years from their purchase date. Any income over the guaranteed amount will also be paid to the investor.

After this period investors receive income based on the occupancy of the hotel. The likely expected return for investors from occupancy would be in the region of 8% per annum.

This income will be paid within 30 days from the 31st of December (the end of each calendar year).

See the table on the following page for how this projection is calculated;



Projected returns from occupancy;

Current Room Rates 2010 – as per website	Room Rates in Euros			
	Low Season	Mid Season	High Season	Average Room Rate
Suite	€89	€99	€109	€99
Projected Room Rates 2013	Low Season	Mid Season	High Season	Average Room Rate
	Suite	€174	€184	€194

Investment in Room Right	£9,250
Projected Occupancy in 2013	90%
Projected Av Room Rate as per above table (€184 using 0.85 euros to £1)	£156
No of days for Room Right	7
Av Income per Room Right	£985
Room to Invest Share - 25%	£246
Owner Share - 75%	£739
Projected Annual Yield to Room Rights owner from hotel occupancy	8.0%

Riad Harmonia is an all seasons hotel and enjoys strong occupancy (currently 80%) throughout the year.

However it is the aim of management to increase both the room rates charged of more luxurious hotels in the area and the occupancy level to 90% to increase the yield from occupancy to investors at 8% per annum. This will be done through further investment in the hotel and in better management of the Hotel.

Room to Invest will keep a stake in the hotel at all times. Our aim is to sell only a proportion (likely to be 70%) of the room rights so you can be sure we have a vested interest in making sure that the hotel continues to be profitable on an ongoing basis.



Total Investor returns – 5 year projection

Riad Harmonia - 5 Year Investment Projection	
Investment in Room Right	£9,250
Annual Income/Yield to Room Rights owner	8%
Income Paid per annum	£740
Income paid over 5 years	£3,700
Annual Capital Growth Projection	10%
Value of Investment after 5 years (assuming annual income not re-invested)	£14,897
Return as %	101%

Capital Growth in the value of the Hotel

We are expecting to increase the value of the Hotel through active management and with natural appreciation within the area expect capital growth of 10% per annum for the next 5 years. Please see below for the various reasons behind this projection.

Room to Invest - how it works

Room to Invest offers you a chance to invest in one of its modern, spacious rooms or suites. Your investment is designed to provide regular income and the potential for capital appreciation whilst being asset backed.

Each investor will purchase what is termed a Room Right. A Room Right entitles each investor to a share in the income generated from the investors' room and a share in the capital value of the hotel together with any appreciation in the capital value (or freehold value) of your hotel room in direct proportion to your investment in the hotel. Each investor will receive a Room Right Certificate for their investment which is effectively your Title Deed.

The first 3 year's income is guaranteed by Rti to be at least 8% of each investor's room right investment.

After that period each investor is allocated seven nights in each Hotel room. Each seven night period will be allocated at random in a different quarter each year to ensure that investors' are not unfairly prejudiced. A rotational room reservation system ensures that all rooms are allocated on a fair basis. Over the seven night period investors receive 75% of the average room income generated by guests staying in their allocated room. Only paying guests will be allocated to investors rooms.

Each investor will be entitled to a proportion of the sale proceeds solely attributable to his Hotel room(s) if the Hotel is sold. Alternatively investors are free to dispose of their room(s) through Room to Invest (or another third party).

Room to Invest will keep a stake in the hotel at all times. Our aim is to sell only a proportion (likely to be 70%) of the room rights so you can be sure we have a vested interest in making sure that the hotel continues to be profitable on an ongoing basis.



This is not a timeshare scheme

Room to Invest offers investors a share of the room income and a share in the freehold value of the hotel. This allows investors to participate in a share of the proceeds (solely attributable to the investors' room(s)) from the sale of the Hotel.

These are not time shares, which are merely contracts specifying a right to use a property on certain weeks.

Fractional ownership is an actual, deeded interest: You can sell it, leave it in your will, put it in a trust, practically anything you could do with any normal deeded property.

We will also assist in sourcing a buyer if owners wish to sell their investment through our online trading exchange on the website <http://www.roomtoinvest.co.uk/TradingPlatform.html>

How is Room to Invest different to other investment products?

Rti is one of the few UK companies to promote an investment at an affordable entry level into this asset class – a hotel room.

Other companies provide a similar investment product in the UK however the minimum investment usually start at a much higher level and the properties are mostly based in London.

In addition, some similar investment products offer rooms for sale in hotels which are under construction and have no track record. Whilst incomes may be guaranteed in these schemes if the occupancy does not meet the set targets then the capital values of the rooms will deteriorate significantly.

Due to recent market conditions in the UK property market, we believe the UK does not offer the best value for money. In the medium term we believe much better value can be obtained in other European and worldwide property hot spots.

The Moroccan authorities are committed to boosting the economic, social and regulatory aspects of the country so that it can compete with its more mature and established counterparts in Europe and beyond. At Room to Invest, we think that this process will result in the appreciation of Hotel assets which at present appear relatively inexpensive relative to values in the UK

Choose from a hand-picked portfolio of investment opportunities

At Rti we intend to launch a number of similar hotels in emerging markets and locations which we believe will enjoy strong capital growth over the next few years. These locations include Czech Republic, Montenegro, Turkey, Poland, Russia and Croatia.

As an investor you'll be able to build a diverse property portfolio of room right which is a very inexpensive way to gain exposure to the growth potential of these markets.



The Corporate Buyer

If you or your company carries out regular business in Marrakesh, this option maybe for you - if you or your company purchase room rights you are of course entitled to your room income plus capital growth and your 7 nights free accommodation (subject to availability). This is particularly valuable if you are staying in Marrakesh regularly or any of the other hotels in the Room to Invest group of hotels for business or as an incentive for a member of staff.

Free Accomodation

As a Rti investor you will receive 7 free nights of accommodation in the Hotel or in any other Rti Hotel.

You can carry over the benefits over whatever time period you choose and can also transfer the free days to friends and family members.

Please call us on 0207 7324 5425 or by email at info@roomtoinvest.co.uk and complete the application form and we will arrange for the accommodation to be booked for you.

Travel arrangements must be made and funded by the investor and accommodation is subject to availability and a small administration fee of £3 per night during your chosen 7 nights.

A low cost investment

Rti was established to offer investors a share in hotels based in emerging economies where property prices are expected to rise over the coming years

We make the process of investing in a hotel room easier than buying a property in the UK or abroad. We also ensure that the cost is kept to a minimum and is known in advance. Rti eradicates the need for lawyers, notary fees, VAT, surveyors, estate agents, trips to and from the potential hotels with added costs, land registry fees, etc

Track Record

Riad Harmonia has been sourced by Rti's experienced management team taking into account the following main criteria:

- Good quality construction
- Location and local economy
- Hotel standards and facilities
- Occupancy rates
- Development opportunities
- Potential returns for investors

The management team's expertise is specifically in the area of European leisure and residential property mainly in Central and Eastern Europe. Please see the section below about the management team.



Room to Invest's responsibilities:

Room to Invest undertakes the following responsibilities to ensure you maximize your investment returns;

- Manage the allocation of room rights for investors
- Maximise the hotel occupancy and income for the hotel
- Manage the allocation of visits by investors wishing to take their free 7 nights accommodation
- Group sales and marketing
- Liaise with the hotel manager
- Manage the freehold investment of the property
- Facilitate the sale of room rights by investors
- Source new hotels to offer investors in the room to invest group of hotels
- Keep investors updated on events at the hotel and room to invest
- Analyse and exploit development opportunities at each hotel

Corporate structure

The hotel assets of the Room To Invest group are held in a Cypriot company called Room to Invest International Ltd whose headquarters are at the following address;

Kyriakou Matsi, 11 Nikis Center, P.C. 1082, Nicosia, Cyprus.

The reason for this offshore structure is to avoid the effects of double taxation when income and capital gains are distributed to investors.

Day to day activities of the Room to Invest group are carried out by Room to Invest Hotels Ltd with registered address of Sophia House, 76-86 City Road London, EC1Y 2BJ.

Payment of Income

Income is paid within 30 days at the end of each calendar year (please see point 8 of Terms and Conditions).

Reporting to Investors

Investors will receive an annual statement showing their total room income, occupancy and income payable at the end of each calendar year.

Exchange Rate Risk

Rti has implemented currency hedging arrangements to ensure that any adverse movements in exchange rates does not affect investors income or capital growth. This cost has been borne by Rti.



Can I sell my investment?

Investors are able to dispose of their room right interests at anytime after they purchase.

Investors will be required to submit a sales form and Rti will assist the company to match your interest with that of a new buyer through our online trading exchange at <http://www.roomtoinvest.co.uk/TradingPlatform.html>

Sellers will be charged a commission of 6% of the room right amount to cover our selling costs.

Fees & commissions

- Commission or fee on purchase of the room - none
- Annual service charge - none
- Annual management fee (after 3 year guarantee period) - 25% share of room revenue, typically 50% with other schemes
- Commission on sale of room rights - 6% commission payable to Rti on sale of room rights to third parties on the secondary market. To allow income to be paid to new buyers all sales of room rights must be communicated to Rti
- Free accommodation - there is a nominal service charge of £3 per night when an investor takes up their 7 nights free accommodation to cover servicing of the room and administration

Targeting the right investments at the right time

At Rti, we focus solely on property which can provide discerning investors with highly attractive returns. It's rare to find a genuinely new type of investment that is easy to understand and offers the potential for attractive returns.

Our investments are designed to provide attractive capital growth combined with an estimated average annual income of 8%. That's not all. As an Rti client, we guarantee your first 3 year's income of at least 8%.

Avoid assets hit worst by the credit crunch

Current economic headwinds in the UK and many developed economies highlight the attractions of investment in expanding emerging market economies. With soaring domestic demand, and resilient economic growth, it's no wonder that rising infrastructure investment and expansion are having a positive effect on selected property markets.

Earning income while you sleep

At Room to Invest, the hassle of generating regular income is managed by other people on your behalf and means you can invest in a selection of hotel rooms at very affordable prices in one of the most exciting and dynamic regions with very strong growth potential – Marrakesh.



About the Hotel and Marrakesh, Morocco

Address of Hotel

Riad Harmonia, 87 Derb Jamaa - Derb Dabachi 40 000 Marrakech Medina

Telephone Number of Hotel

Tel: + 212 6 70 51 45 04

GSM: +33 6 76 18 08 97

Current Managers of the hotel

Room to Invest International Ltd

Hotel Website and email address

<http://www.riadharmonia.com>

contact@riadharmonia.com

No of Rooms in Hotel

5 suites

Other Features of the hotel and rooms

Splash pool, Hamman (steam room), balcony from suites

About the Hotel

Situated near the Badi Palace and Djeema El Fna Square Riad Harmonia is designed to appeal to international tourists while retaining references to the rich history of Marrakech and enjoying exceptional views of the city and Atlas Mountains.

Right in the centre of the Medina in Marrakech, Riad Harmonia has a magnificent roof top terrace. During the summer months guests enjoy the relaxation of the roof top terrace and patio and bask in the sun, whilst in the winter months bath in the Hammam (steam room) and enjoy the light breeze. Massage and beauty treatments are also available at the Hotel.

Riad Harmonia encompasses 5 beautifully decorated luxury suites divided up by patios and all decorated in their own unique Moroccan style with traditional furniture and thick rich fabrics contrasting the white walls. All suites are spacious with hand made beds, a living area, en suite bathroom, air conditioning, satellite television and stunning interiors and have their own private sun patio, terrace or balcony looking out over the roof tops of the Medina.



The Riad Harmonia is in an ideal position to leave for the discovery of Marrakech and of its historic monuments or simply to wander in the souks to the taste of your cravings and chance. Staying at the Hotel means enjoying the traditional warm welcoming areas to eat and high levels of service which are part of Riad Harmonia's charm and attraction. From the roof top you can see for miles across Morocco and the Medina and away into the desert and towards the Atlas Mountains.

...It's a wonderful oasis of calm in this vibrant city. My sons will never forget breakfast time on the roof terrace watching the storks build nests on the old city walls with the Atlas Mountains in the background...
Mark Grant

Existing profitable hotel

Riad Harmonia has been operating for over six years and has been considerably profitable and enjoys an increase in revenue year on year. The operating margins enjoyed by the Hotel are above 45% with occupancy levels of 82%.

Hotel Valuation

The Hotel was subject to an independent valuation on 30th of October 2010 at £2.0m.

Room to Invest have engaged with Colliers International the leading hotel and licensed property specialists, to source and value suitable hotels for its portfolio of properties. www.colliers.com

The Moroccan authorities are committed to boosting the economic, social and regulatory aspects of the country so that it can compete with its more mature and established counterparts in Europe and beyond.

At Room to Invest, we think that this process will result in the appreciation of certain assets which at present appear relatively inexpensive.

High quality property in an ideal location;

Riad Harmonia offers you the opportunity to invest in one of the main cities of Morocco, which is known as the 'Jewel of North Africa'. It also means you have the chance to explore this fantastic city and stay free of accommodation costs in Riad Harmonia or ANY other hotel in the Room to Invest group for up to 7 nights per year.

Riad Harmonia is part of Room to Invest's high quality property portfolio, and is ideally located in a central position within the famous Medina, or ancient quarter of Marrakech, where the reddish colour of the imposing city walls and the hundreds of beautiful towers which encircle the Medina are the reason Marrakech is known as the red city. It's no surprise that this ancient quarter is already beginning to attract higher profile, cash-rich tourists and visitors who find solace and beauty in the beguiling treasures to be found within the city walls.

From this ideal location, Riad Harmonia provides the perfect place from which to explore Marrakech and Morocco itself. The Hotel offers a relaxing place to stay while its central location means you can simply enjoy the best Marrakech has to offer. As well as inland delights and historical treasures, the city itself is only a couple of hours' drive from the coast.



“The Hotel turned out to be a surprise and delight. Being ideally situated within the medina, it is an easy walk to the souks and the famous Djemaa El Fna. It is a clean and comfortable Riad with staff that could not do enough for you. The big red bus is a good way to see the city and the Ourika Valley (foothills of the Atlas Mountains) is well worth a visit....” Edward Cullen

To see what others say about the hotel go to <http://www.tripadvisor.in/Hotels> and type in Riad Harmonia to see independent reviews of the hotel

Morocco hotel market

Hotel valuations in Marrakech have increased and have been supported by increasing interest from foreign investors who are keen to capitalise on the effects of detailed infrastructure plans from the authorities and the attractive capital values and rental income potential of the area.

At Room to Invest, we expect this rising interest to continue and to shore up capital values still further and we believe that Riad Harmonia is in an excellent position to capitalise on both existing and potential demand.

Morocco offers a unique investment opportunity for those who can find the right property and generate the right returns. At Room to Invest, our analysis and expertise has enabled us to target selected investment opportunities in Marrakech, which has excellent transport links with Casablanca as well as international air links to the European mainland.

Attractive margins for hotel investors

There are many convincing reasons which underpin our high opinion of Morocco. For a start, the fundamental criterion which supports the business case for hotel investment in the region is that potential operating margins in Marrakech are particularly attractive. In comparison with the UK, where margins are often around 20%, in Morocco they can reach as high as 50%, which makes hotel operation very lucrative.

Relatively inexpensive capital values

Another attractive trait of the current property market in Morocco is that capital values are typically inexpensive cheap when compared with the asking prices in many developed Western economies such as the UK. At present, property prices are significantly less, in some cases by as much as 50%.

Restricted building expected to shore-up prices

While the Moroccan authorities are especially keen to facilitate economic growth, there is only a certain amount of building growth which can be sustained inside the Medina of Marrakech itself. The opportunity for development is therefore restricted, which lessens the chances of new hotels providing enhanced competition. At Room to Invest, we believe this will support the prices of hotels within the Medina. Any existing hotels - such as Riad Harmonia - are well-placed to capitalise on the expected demand for high quality hotels in this area.

A rising market

It's one thing offering value through relatively cheap capital values, but growing demand and economic expansion are key supports in Morocco which we are set to fuel significant property market growth. The



government in Morocco is intent on satisfying this demand and achieving their goal of attracting 10 million tourists a year by 2010. Substantial investment in infrastructure, as well as an upgraded planning and legal system are all factors which we think will be conducive to upward rises in property prices.

High rental occupancy

Morocco is blessed with a particularly inviting climate. The sun shines most of the year and humidity is not a problem. With an ability to offer tourists a wonderful experience regardless of the time of year, it's clear that Morocco has a number of attractive traits which can support further economic growth, especially in light of the economic headwinds and concerns which are currently affecting a number of developed economies.

Low cost of living

It's not only the property prices which appear attractive. The cost of living is also relatively low, which enhances the attraction for tourists as well as more regular visitors who wish to capitalise on the potential of the region.

Natural beauty

The spectacular beauty of the local palm groves and rose gardens in Marrakech are completed by the outstanding tranquillity and awe-inspiring presence of the Atlas Mountains, which rise to over 13,000 feet and are a stunning backdrop to the cultural and architectural delights the city offers. Riad Harmonia boasts a great location to explore all Marrakech has to offer.

Leisure facilities

The exquisite natural setting of Marrakech is also home to a fantastic and diverse range of leisure facilities. From trekking in the Atlas Mountains to 18-hole golf, from skiing to tennis as well as horse and camel riding, there is a leisure pursuit to match the most demanding requirements.

Fantastic cuisine

The delicious cuisine of Morocco has travelled globally and it is now easy to find restaurants which serve traditional Moroccan food in many countries throughout the world. However, Marrakech offers the real thing, and there are some wonderful opportunities to sample authentic local recipes. The city also provides a large complement of high quality restaurants serving international cuisine as you would expect from a destination which is beginning to attract increasing numbers of tourists.

Why choose Morocco?



We believe Morocco is a prime choice for hotel investment. While the UK property market is currently undergoing weakness following many years of considerable growth, other markets have not even reached the early stages of maturity and are predicted to generate considerable upward progress. At Room to Invest, we expect property prices in parts of Morocco to build on gains of 75% over the next 12-months. Our analysis indicates that robust levels of growth are likely to continue, buoyed by the Moroccan authorities' plans to bring in 10 million tourists by 2010.

Economic reasons why Room to Invest have chosen Morocco

- Morocco authorities set to implement measures to bring in 10 million tourists a year by 2010 as well as 1,300 weekly flights – tourist numbers increased by 14% in 2007/2008 alone and this is expected to propel hotel room occupancy and hotel valuations significantly
- Morocco GDP growth in 2009 was a robust 6%* compared to under -1% in the UK
- The search for attractive yields is proving extremely difficult in a lacklustre UK property market, with no end to the weakness forecast in the short term
- At Room to Invest we believe Moroccan property prices are set to continue to generate robust gains which over the last 3 years have produced a phenomenal 75% growth**
- Operating margins in Marrakech are particularly attractive – around 50% compared with less than 20% in much of the UK, which makes hotel operation very lucrative
- Marrakech itself is the organisational hub of Southern Morocco, and as the country's second largest city with a thriving industrial sector it is well-placed for further growth

*Source: Fitch

**Source Bloomberg: 31 May 2007 – 31 May 2008, Morocco Real Estate Index (MCIMMOB)

Our analysis of the economic backdrop in Morocco is supported by:

Expectations of capital values - Rising capital values are expected to be supported by increasing levels of tourism and business investment. The stock market is the second largest on the continent after South Africa.

Value relative to developed European markets - despite the potential of the Moroccan property market, relative to its developed counterparts it currently offers considerable value for money to foreign investors.

Location and transport links - As an expanding emerging economy, Morocco has international borders with Spain and the stability of being a major non-Nato ally of the US (MNNA). Low cost airlines provide easy access by air coupled with excellent train transport services around Morocco.

Economy and infrastructure - The authorities are committed to a series of economic and social improvements, and the King's Vision 2010 scheme is already galvanising investors who are keen to capitalise on expectations of considerable infrastructure investment, which is set to buoy the domestic economy.



Investment potential - We think that when compared with developed European economies such as Spain, the relatively low capital values of the Moroccan property market can offer significant and highly attractive yields.

Above average room occupancy - Riad Harmonia is established and enjoys above average room occupancy. Revenue growth is increasing which we anticipate will further enhance the value of your investment and drive the hotel profits.

Dynamic emerging economy close to Europe

It isn't just Morocco's property prices which have been rising— the country is already delivering gains for equity investors who have enjoyed the stock market's recent climb of 46.86%* over the last year. As "The Jewel of North Africa" its close proximity with Europe means it is renowned for its access to central trading and tourism routes.

The warm climate combined with stunning scenery bordering the Atlantic and Mediterranean gives the country an intrinsic quality which is likely to support further economic expansion. The exceedingly high number of sunshine days per year also means that property lets are often less seasonal than some European counterparts. Hotel capacity rates remain high.

Infrastructure and economic development

While developed economies such as the UK and the US face the headwinds of weakening growth, high inflation and a lack of confidence, emerging markets such as Morocco are well-placed to set to capitalise on strong fundamentals and economic expansion to fuel further progress.

The King of Morocco has committed to Vision 2010, which is designed to drive Morocco forward and boost GDP through the significant development of infrastructure. New road systems, improvements to communications networks, and social investment are all set to provide a framework for attracting businesses and consumers alike.

Sought after by foreign investors

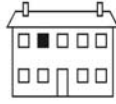
A recent overhaul of business regulations and the legal system allied to disciplined management of the domestic economy supports this view. Tight monetary policy is keeping inflation in check and the central bank now has independence.

It's no surprise that Morocco is already a sought-after destination for investors who see the increasing numbers of international tourists and retirees as a sign of an attractive property market and a dynamic emerging market economy.

*FTSE All World Index total return in US dollars to end June 2008

A climate of warmth and sunshine

One of the most attractive features of the country is that despite its proximity to Europe and its position in the Northern Hemisphere, it is warm during the winter and offers gorgeous sunshine during the summer. Such weather is particularly attractive to tourists from the colder climes of Northern Europe.



ROOM TO INVEST™

Of course, the climate within the country varies according to the diverse nature of the terrain. The Mediterranean and Atlantic coasts are renowned for their mild climate. Marrakech enjoys a long, hot summer and a relatively short winter, which is good news for tourists. The further inland you go, the more interesting the climate gets. It's no surprise that you can find weather just about as hot as could be expected by the time you reach inland to the Moroccan Sahara, while the temperature in the Atlas Mountains can be cool enough for snow.



Skiing in Morocco

While North Africa might at first glance appear to be a strange destination for skiing, in actual fact the industry - like many sectors in Morocco - is growing quickly and is already a sought-after international sporting destination. It's not just snow skiing that is attracting discerning individuals though - activities such as cross-country skiing and freestyle skiing are all easily available.

It's common for Moroccans to travel from places such as Fez as well as cities such as Rabat, Casablanca and Marrakech in order to enjoy the snow. There is a real choice of runs available from new entrants to the sport to more experienced and adventure-seeking skiers - for whom there are the inviting slopes which can reach above 10,000 feet.

Oukaïmeden is the largest ski resort and is renowned for having the region's highest lift. It's less than 50 miles from Marrakech, and is the premier skiing area of Morocco. Substantial investment has already been provided by investors who are flocking to what is essentially the Middle East and Africa's only golf and ski resort. The skiing season runs from December to April and there are already plans to expand this through use of artificial snow. Oukaïmeden itself is expected to capitalise on this growth and encompass full consumer and business amenities as well as residential accommodation to support the expected influx of tourists.



Golfing in Morocco

Morocco boasts an annual 300 days of sunshine and year round golfing weather with a large number of top end golfing resorts all at affordable prices and beautifully manicured greens this allows visitors to go to Morocco for both sport and tourism.

Marrakech's oldest golf course is the Royal Golf Palace, a luxury hotel complex that has the distinction of having been built in a magical palm grove.

This excellent idea was used again by the Amelkis Golf courses just three and a half hours away from the gloomy European skies, golfers can enjoy their sport in the midst of palm groves, with a fairy tale view of the snow-capped Atlas Mountains.

Palmeraie Golf & Spa Palace Resort is situated in the oasis of the ancient Palmeraie district, close to the town centre and away from the hustle and bustle of the city and is certainly the ideal location in Marrakech.

Morocco has a number of excellent golf courses throughout the country and visitors come throughout the year to enjoy the all year round golfing conditions and longer days.

Morocco - getting there

With its closeness to Europe, the main air carriers are particularly keen to offer flights to Morocco from strategic airports in Europe and beyond. With direct flights to Marrakech from the major capitals such as the UK's London Heathrow, as well as satellite airports such as Gatwick, the choice for tourists is broad.

Superb air links are a key support for tourism and economic expansion. However, it's not only easy to travel by air to Morocco. Once you arrive in the country, the reliable train services are very comfortable and fairly inexpensive, and offer transport between cities. With considerable infrastructure investment planned, excellent transport services in Morocco are set to be improved further as part of the Moroccan Authorities' Vision 2010 plans to achieve the tourist targets of 10 million per annum.



Things to do in Marrakech

Marrakech is Morocco's intoxicating city of duality. Streets are dotted with both ancient and modern buildings. Snake charmers sit outside refined palaces. Riotous marketplaces sell all kinds of wares, and the mysterious Medina (old town) contains nearly two miles of secret passages. Mopeds, mules and Mercedes dart around the city, yet time seems to have slowed down, and the locals pause to make connections with others. Musical events may not be formal and organized, but it's easy to find yourself swaying to the beat of an impromptu gathering of singers and musicians.

- The Medinas of Morocco - a unique atmosphere

All great Moroccan cities have two facets: the medina or traditional town and the modern town. In a medina, at the heart of each district, are the mosque and the medersa (schools) and houses, built close to each other, creating many labyrinthine streets. Medinas are places for traders and craftsmen with souks or kissarias, specialist markets.

In Morocco, five Medinas have been included on the UNESCO world heritage list for their architectural value. The Fez medina shelters 143 mosques and the Quaraouyine university, the oldest in the world. In Marrakech, you will discover the beauty of the grandiose monuments of the Medina. DJemaa el Fna square is its strongest symbol. In addition to architectural beauty, daily life in the Medina is a colourful outdoor theatre exuding wonderful fragrances of spices, fruit and mint.

- DJemaa El Fna

The heart of Marrakech beats in this wonderful square situated east of Gueliz. Declared a World Heritage Site this is where you can experience traditional Morocco in all its vibrant colour. The site of all kinds of events such as the beheading of criminals in the past, walking around this area is now a wonderful way to spend an evening. The market is alive with tradesmen and fruit stalls. Magicians, snake charmers and the sound of musicians and other medieval entertainment will amuse you, while the aromas of the scores of food stalls wafting in the air will tantalise your taste buds.

- The Souks

The famous Souks of Marrakech offer one of the city's most fascinating sights, a city full of many souks and markets, hiding away in the narrow alleys and squares of the Medina's. Covering over a square kilometre, the souks enclose a variety of trades including leather, silk, metal, jewellery, carpentry, weaving, sculptors and more and all practise their trades for all to see. The babouches (slippers) made by leatherworkers are unique.

- The High Atlas Mountains

Jebel Toubkal in Morocco is North Africa's highest mountain. There are two main passes over the mountain range which work well as a touring route of the area. The Tizi-n-Test, to the south-west, runs up past the 12th Century mosque of Tin Mal, snakes over the spectacular pass, and hairpins down to the Sous Valley and the pre-Saharan town of Taroundant. The Tizi-n-Tichka to the south-east, runs over the mountains near the Kasbah of Telouet, and then down to Ouarzazate and the edge of the Sahara.

- Oukaimeden



This ski resort is in the Atlas Mountains where the lower slopes are perfect for beginners. Apart from the skiing, there are elephant and sun wheel Bronze age rock engravings in the village. Further up the mountain there is a view site where stunning views of the mountain and Marrakech can be enjoyed.

- Bahia Palace

On the northern edge of the Mellah (or Jewish Quarter) is the Bahia Palace, built principally by Ba Ahmed Ben Moussa, a powerful vizier to the royal court in the 1890s and a man of 'indomitable will, and cruel'. Entered via a long garden corridor, it's a collection of paved courtyards, arcades, pavilions and reception halls constructed in a modern style but smothered in traditional Moroccan decoration.

- Mamounia

Almost since opening in 1923, the Mamounia has been so famous as to be practically synonymous with Marrakech. It was the palace of the crown prince of Morocco when the French administration annexed it for a hotel. During that romantic era of early travel, the Mamounia was not just a hotel; it was a way of life. In post-war years it was a favourite haunt of Winston Churchill's.

- Koutoubia Mosque

At 77m (252ft) the minaret of the Koutoubia Mosque is not actually that high, but thanks to Marrakech's flat topography and a local ordinance that forbids any other building in the medina to rise above the height of a palm tree, it towers majestically over its surroundings. As such, the minaret is the first thing that any visitor sees when approaching the city from afar. Morocco's magnificent mountain ranges and array of landscapes ensure that trekking remains the most popular activity for travellers, and the High Atlas Mountains and desert around Marrakesh offer plenty of leg stretching options. Bird-watching, cycling, climbing and spa-soaking are also possible.

- Saadian Tombs

Situated in the Rue de la Kasba these lavish tombs date from the Almohad period (1145- 1248) and consist of two mausoleums set in a lush flower garden. The interiors are beautifully decorated with gold leaf clad cedar panels, ivory coloured marble and stalactites, a fit last resting place for the young princes who lie here. The arches and amazingly intricate carvings make for a sumptuous setting for the huge dome in the central room. The second building is less extravagant and consists of a prayer hall, loggias and the burial chamber of the mother of Ahmed the Golden who died in 1591.



Morocco - a short history

While modern-day Morocco can offer all the facilities and infrastructure of a fast-expanding emerging economy, the country is ancient and draws on a diverse range of cultures.

The Berber people were the indigenous inhabitants of Morocco, and lived as tribes with no one particular tribe controlling the entire country. Following various attacks by Phoenicians and Carthaginians, the country came under Roman rule, as did much of neighbouring Europe. When the Romans departed, the area was eventually settled by both Jews and Moors from Spain, and cultural influences can still be seen in cities such as Marrakech.

As with many countries during the middle ages, Morocco was subject to assaults and campaigns from more powerful regions, and there were expeditions by the Portuguese to take control of the Atlantic coast as Morocco itself prized for its strategic position and access to the Mediterranean. France has also been a key influence on the country and many of the inhabitants of Morocco speak French to this day. Eventually pressure from the Sultan of Morocco to achieve independence led to Spain and France relinquishing their holdings, and the country finally became independent in 1956.

More recently, Morocco's increasing political stability has enabled the country to achieve further economic expansion and the country was granted Major non-NATO ally status by the US a few years ago. Morocco now has free trade agreements with both the US and the EU and is a key focus for investors keen to capitalise on the growth prospects of such a dynamic emerging economy.



Taxation Issues

The investment is subject to UK tax law.

SIPP/SSAS Eligibility

The Riad Harmonia is a SIPP/SSAS compliant investment product as it is classed as a commercial property asset

What are a SIPP and a SSAS?

SIPP - Self Invested Personal Pension. SSAS – Small Self Administered Scheme

A self administered (member directed) personal pension scheme, combining a full range of investment opportunities as permitted by the HM Revenue & Customs, together with maximum flexibility on retirement, available at an extremely cost effective charge.

In April 2006, the rules on what savers can include in their self invested personal pension plans were published by HM Revenue & Customs. The Guidance Notes confirmed that the Chancellor permitted SIPP/SSAS holders to invest in hotel rooms such as those sold by Room to Invest. The only stipulation is that SIPP/SSAS holders may not stay in their rooms.

What tax benefits can I expect by including my investment in a SIPP/SSAS?

- No Income Tax on income – income is paid gross
- No capital gains on resale of the Room Rights
- Provided certain conditions are met you can borrow 50% against your SIPP/SSAS which allows you to derive further tax free income and gains from any additional investments made

If you have an existing SIPP/SSAS

You will need to contact your existing SIPP/SSAS provider and request that they complete the attached Application Form and arrange the transfer of your subscription funds to Room to Invest.

If you do not have an existing SIPP/SSAS but wish to start one?

We can introduce you to a SIPP/SSAS provider who will arrange to establish a pension for you. Please contact Room to Invest for further details.

Transferring your pension

It is possible to transfer your Room Rights from one scheme to another, such as from yourself to a SIPP or SSAS, from one SIPP or SSAS to another or from a SIPP or SSAS to yourself. The circumstances where this may be necessary are if you are transferring from one pension scheme to another, paying a pension contribution in the form of the investment itself or receiving retirement benefits in the form of the investment. This is done by completion of a change of ownership form which can be provided on request, and a valuation of your investment can also be provided for transfer purposes on request.



Tax Structure

The following is a summary of UK tax consequences which should apply to investors who are individuals in Room to Invest. It is a summary for guidance only and does not constitute an analysis of the tax consequences applicable to all types of investor. Tax rules change from time to time. If you are investing on the basis of tax relief you must consult a tax specialist.

In particular this summary is not intended to constitute legal or tax advice and prospective purchasers are strongly advised to consult their own professional advisors on the tax and legal consequences of investing in Room Rights before doing so.

Income Tax

UK resident investors should receive income from the investment gross and not subject to any Moroccan withholding tax. Income should be taxed in the UK in accordance with an individual investor's income tax rate.

Capital Gains

If the investment is assigned or sold to a third party for a sum greater than originally invested that gain will be assessable to capital gains at a flat rate of 28% subject to any reliefs available. Individuals have an overall annual exemption from capital gains tax for the first £9,600 of chargeable gains in the current tax year. Most trusts have an equivalent exemption of up to £4,800 in the current tax year. Generally, losses realised on the disposal of assets may be set against other gains made during the tax year or carried forward to be set against gains in future tax years.

Management team

Room to Invest's management team are experienced investors and operators and have been established to identify and source the most suitable hotels offering clients the highest returns and allowing them to build a portfolio of similar investments.



Richard Henstock – Director

Richard graduated from the Heriot-Watt University in 1960 with two BSC's. After a period in management consulting he joined Smith Barney in New York and London. Richard attended the Harvard business school before joining Wertheim in New York. He returned to London in 1978 and set up a US desk at Laing & Cruickshank, concentrating on small company investment. He subsequently set up London Wall Securities Limited to focus on small company funding and management in the UK and the US. Richard has arranged institutional and personal investments in a large number of small companies and has been on the boards of around 30 quoted and unquoted companies in the UK and the US. Richard has helped to float a number of companies including Albemarle & bond plc and Berkeley & Hay Hill Investments plc.

Marcia Hargous - Legal Counsel

Marcia is a solicitor and member of the Law Society of England and Wales and the Law Society of New South Wales, Australia. Marcia was admitted in 2003 and her main experience is in corporate and commercial property law. Marcia joined Room to Invest as a corporate adviser from an Aim quoted FSA regulated fund management company based in the city where she handled corporate finance and investment legal work. Marcia is a member of the Securities Investment Institute and is currently completing a diploma in corporate finance.



David Austin – Investment Director

With a property & investment banking background David has worked in the investment sector for over 15 years. David is a qualified accountant and holds a business degree from UTS in Sydney Australia.

The Hotel Solutions Partnership offers specialist hotel consultancy services to hotel owners, operators, brands, developers, lenders and investors. The Hotel Solutions Partnership is a hand-picked network of experts. Between us, we have [expertise in more than 70 disciplines](#), covering all the elements involved in running a successful hotel or hospitality business in today's globally competitive and evolving environment.



Room to Invest have engaged with Colliers International the leading hotel and licensed property specialists, to source and value suitable hotels for its portfolio of properties. <http://www.colliers.com/>



Terms and conditions of the offer;

1. The purchase date is the date at which cleared funds are received in to Room To Invest accounts.
2. It is expected that a room right certificate confirming your successful application for room rights will be dispatched by first-class post no later than eight weeks from receipt of your investment. The company reserves the right, at its discretion, to reject any applications. If an application is not accepted any application monies will be returned (without interest) by returning the applicant's cheque or banker's draft through the post to the address of the first named applicant at the risk of the applicant(s). Incorrectly completed application forms may be treated as valid and binding upon the relevant applicant's request at the option of the company.
3. Applications must be made on the application form. By completing an application form, you as the applicant(s):
 - 3.1 Agree to buy the room rights specified in your application form at the offer price applicable on the terms and subject to the conditions set out in the application form (of which these terms and conditions of application are a part);
 - 3.2 Authorise the company to send confirmation that your application is accepted to your address (or, in the case of joint applicants, to that of the first named applicant set out in your application form);
 - 3.3 In consideration of the company agreeing that it will consider and process applications for room rights under the offer in accordance with the procedures set out in this document, which will become binding on receipt of the application form by the company at the address specified in the application form:
 - 3.3.1 Warrant that your remittance will be honoured at its first presentation and agree that if it is not so honoured you will not be entitled to receive a room right certificate in respect of your room rights applied for or to enjoy or receive any benefit in respect of your room rights unless and until you make payment in cleared funds for them and such payment is accepted by the company (which acceptance will be in its absolute discretion and on the basis that you indemnify the company against all costs, damages, losses, expenses and liabilities arising out of or in connection with the failure of your remittance being honoured on first presentation) and that, at any time prior to unconditional acceptance by the company of such late payment in respect of your room rights, the company may (and without prejudice to any other rights) void the agreement to grant room rights to you and may without liability to you grant such room rights to any third party, in which case you will not be entitled to any compensation or damages of any nature whatsoever;
 - 3.3.2 Agree promptly, on request by the company, to disclose in writing to it any information which it may request in connection with your application and authorise the company to disclose any information relating to your application which it may consider appropriate;
 - 3.3.3 Agree that any room right to which you might become entitled and monies to be returned to you may be retained pending clearance of your remittance or pending investigation of any suspected breach of the warranties in these terms and conditions and that such monies will not bear interest;
 - 3.3.4 Warrant that if you sign an application form on behalf of someone else or a corporation, you have authority to do so and such person will be bound accordingly and will be deemed also to have made the offer and given the authority, confirmation, warranties and undertakings contained in these terms and conditions;
 - 3.3.5 Confirm that in making this application, neither you nor any person on whose behalf you are applying, is relying on any information or representation in relation to the company other than that as is contained in this document and application form, and you accordingly agree that none of the company, the directors, or any other person acting on behalf of them or any other person responsible solely or jointly for this document or any part of it will have any liability for any such information or representation (except in the case of fraud);
 - 3.3.6 Warrant that no other application is being made by you for your own account or by another on your behalf or for your benefit and with your knowledge for such purpose or, if you are applying as agent or nominee of another, that no other application is being made by you not being such an application as an agent or nominee for that other person and that other person is not, to your knowledge, acting in concert with any such other person or persons;



Terms and conditions of the offer (cont'd);

3.3.7 Agree that all applications, acceptances of applications and contracts resulting from them under this offer will be governed by and construed in accordance with English law and that you submit to the jurisdiction of the English courts and agree that nothing will limit the right of the company to bring any action, suit or proceedings arising out of or in connection with any such application, acceptances of application or contracts in any manner permitted by law or in any court of competent jurisdiction;

3.3.8 Warrant that in connection with your application, you will observe the laws of all relevant territories, obtain any requisite governmental or other consents which may be required, comply with all requisite formalities and pay any issue, transfer or other taxes due in connection with your application in any territory, other than stamp duty or stamp duty reserve tax, and that you have not taken any action or omitted to take any action which will or may result in the company or any of its directors, officers, agents or employees being in breach of the regulatory or legal requirements of any territory in connection with the offer or your application;

3.3.9 If you are applying for room rights on behalf of any other person, in connection with your participation in the offer, you have observed all relevant legislation and regulations, in particular (but without limitation) those relating to money laundering, you accept full responsibility for any requirement to verify the identity of any other persons in respect of whom you have applied and you are a person (1) subject to the Money Laundering Regulations 2003 in force in the United Kingdom; or (2) subject to the EC money laundering directive; or (3) acting in the course of a business in relation to which an overseas regulatory authority exercises regulatory functions and are based or incorporated in, or formed under the law of, a country in which there are in force provisions at least equivalent to those required by the EC money laundering directive;

3.3.10 Warrant that you are aware of your obligations under the Proceeds of Crime Act 2002 which relate to money laundering;

3.3.11 Warrant that neither the application made by, nor the allotment to you, for or of any room rights will infringe any provision of the law or regulations of any country outside the UK;

3.3.12 Agree that, having had the opportunity to read this document, you will be deemed to have notice of all information and representations concerning the company contained in it; and

3.3.13 That you are not under 18 years of age on the date of your application and that you are not applying on behalf of a person who is under 18 years of age on the date of your application.

4. No person receiving a copy of this document or an application form in any territory other than the UK may treat it as constituting an invitation or offer to him if it would be in breach of any local laws or regulations, nor should such person apply for room rights. The company reserves the right, in its absolute discretion, to reject any application made by any person outside the UK. All payments under the offer must be made in pounds sterling.

5. It is a condition of the offer that the company or the receiving agent may, in their absolute discretion, require verification of identity from persons lodging an application form ("applicant") or of any person on whose behalf the applicant appears to be acting, to ensure compliance with the Money Laundering Regulations 2003. If satisfactory evidence of identity has not been obtained within a reasonable time, then the transaction will not proceed any further and the application monies (without interest) will be returned to the bank account where the cheque was drawn. In the case of a joint application, references in these terms and conditions of application to "you" are to each joint applicant and the liability of joint applicants is joint and several.

6. You will be allocated room rights in respect of a specific room in the hotel for seven nights per year. Your room and allocated seven night period will be determined at random by the company. Your weekly allocation (but not your room) will be in a different quarter each year as determined at random by the company.

7. For the first three years of your investment from the purchase date you will receive an income equal to 8% of the amount of your investment. After this period you will receive you will receive from the company 75% of any rental income received by the hotel from guests staying in your room during your allocated seven nights each year. Subject to the provisions of clause 8, such monies will be payable in sterling within four weeks from the end of the calendar year i.e 31st December



Terms and conditions of the offer (cont'd);

8. The company guarantees that the income from your room rights during the first 3 years of our agreement will be at least 8% of your initial investment. The guaranteed minimum amount will be paid within four weeks from the end of the calendar year i.e 31st December
9. The company will procure that any investor in room rights will be entitled to a 5% discount on any future offers made by Room To Invest or its subsidiaries.
10. If you are not investing through a SIPP or SSAS and would like to stay at the hotel (or any other hotel owned by the company or any of its group companies) subject to availability and an administration fee of £3 per night you will be entitled to 7 nights' free accommodation per annum in a room to match your room right in any hotel within the Room To Invest group of hotels in your own name (but not for or on behalf of a third party unless written authority has been received by Room To Invest).
11. If you do not intend to invest through a SIPP or SSAS please tick the relevant box on the application form and you will be entitled to the benefit referred to in paragraph 10.
12. The rules governing SIPP or SSAS do not allow investments in residential property (including hotel property which an investor has the right to use or occupy). If you intend to hold your investment in a SIPP or SSAS please tick the relevant box on the application form in which case you will not be entitled to benefit from any cost free reservation on room bookings at the hotel or any hotel in the Room To Invest group of hotels.
13. You may sell your room rights to a third party at any time after your purchase in which case you may request in writing that the company helps to find a third party buyer. The company or Room To Invest will not be under any obligation to find a buyer but will use its reasonable endeavours to find a buyer in which case Room to Invest will be entitled to a fee of 6% of the total proceeds of any sale which it procures or arranges on the investors behalf.
14. You may not assign or transfer the benefit of this agreement without the prior written consent of the company. The company may assign the benefit of this agreement to any of its holding companies or subsidiaries of such holding companies.
15. Room To Invest reserves the right in their sole discretion to change, suspend or substitute Room To Invest terms and conditions at any time with or without notice.
16. This agreement and the application form will be governed by and construed in accordance with the laws of England and you submit to the non-exclusive jurisdiction of English law.

This document and the application form constitute the entire agreement between you and the company in respect of your room rights and you acknowledge and confirm that you have not entered into this agreement in reliance on any information which is not included in this document or the application form.



Definitions

The following words and expressions shall have the following meanings in this document, unless the context otherwise requires:

“applicant” - the individual applying for a room right as stated on the application form;

“application form” - the application form in connection with the offer enclosed with this document;

“board” or “directors” - the Directors of Room To Invest, whose names appear on page 23 of this document;

“certificate(s)” - documenting evidence to show proof of ownership in relation to your room right;

“company (the)” Room To Invest Hotels Limited, incorporated in England with company number 07453265 and whose registered office is at Sophia House, 76-86 City Road London, EC1Y 2BJ.;

“document” - this offer document for the offer;

“GDP” - growth domestic product;

“he/him/himself” - the use of male terminology is intended to represent both sexes;

“investor(s)” - person(s) who apply for the offer;

“purchase date” - the date from which room income will begin to accrue for investors. The purchase date is when Room To Invest receives cleared funds in its account;

“offer (the)” - the room rights’ offer to purchase room rights in a suite in Gora Hotel;

“offer price” - the offer price for a suite in Riad Harmonia as set out in the application form;

“receiving agent” Capital Secretarial Limited, Sophia house, 76-80 City road, London ECLY 2BJ;

“Room rates” - the accommodation rate for a guest residing at Riad Harmonia;

“Room rights” - the right to receive income (and certain other benefits) from the company as set out in the terms and conditions of the offer equivalent to a title deed;

“Room To Invest” Room To Invest Hotels , incorporated in England with company number 07453265 and whose registered office is at Sophia House, 76-86 City Road London, EC1Y 2BJ.;

“Room To Invest Group” includes any hotel Room To Invest deems as qualifying and available to an investor entitled to 7 nights of hotels” free accommodation;

“sipp” self invested personal pension;

“ssas” small self administered scheme;

“suite(s)” a luxury, hotel room with the capacity of accommodating two or more people with additional living space a terrace or balcony and views directly to the garden and grounds; and

“uk” the united kingdom.