



هيئة تشجيع الاستثمار الفلسطينية  
Palestinian Investment Promotion Agency



مؤتمر فلسطين للاستثمار  
Palestine Investment Conference

# INSPIRING BUSINESS





# Tourism Sector

# Murad Tourist Resort & Hotel

Project Number:	<b>PIC-2010-IO-074</b>
Project Name:	<b>Murad Tourist Resort &amp; Hotel</b>
Sponsor Company:	<b>Murad Tourist Resort &amp; Hotel</b>
Contact Details:	<b>Mr. Jamil Murad / Mr. Shaker Murad Bethlehem, Beit Sahour Street, Palestine Tel: +970-2-2759880 Fax: +970-2-2759881 Email: info@murad.ps Website: www.murad.ps</b>
Total Cost of the Project:	<b>US\$ 24,552,460</b>
Investment by Current Owners:	<b>US\$ 15,297,060</b>
Required Investment:	<b>US\$ 9,255,400</b>

## Project Description:

Murad Hotel and Resort Company is located in Bethlehem, 15 minutes from the city centre and close to Shepherds' field. The company is seeking a partnership with a strategic/financing partner in order to add multiple tourist facilities that blend historic authenticity with modern technology and entertainment systems..

Murad Hotel and Resort is located in Bethlehem and it has been working from June 2006 until now on phases 1, 2 and 3 of the project. Remarkable segments and projects were completely achieved mainly:

- Four swimming pools
- Business halls
- 25 chalets
- Rocky rooms
- Coffee shop and restaurant
- Murad therapy baths / Turkish cave
- AD – DAY'A Tent
- Tourist Hotel (phase1)/ 33 rooms
- Spa for ladies

The estimated cost of the above mentioned items accomplished until now is around 10 million U.S. dollars.

As part of its continued development, the company is seeking to add more facilities that will include an Amusement Park, Stationary Crew Ships and 15 VIP chalets.



## Project Development Time Table:

15 VIP chalet	10 months from funding
Tourist Hotel (Phase 2)	12 months from funding
Dancing launch	8 months from funding
Multipurpose hall	9 months from funding
Modern kitchen	4 months from funding
Resort gardens	5 months from funding
Children playground	7 months from funding
Water falls and water fountains	4 months from funding
Upgrading the existing Olympic swimming	3 months from funding

## Current Owners' Profile:

Murad's Investment Group Co. was established since more than 30 years. The group established Murad's Undertaking Co. in 1976, this company was accredited as one of the largest construction and reconstruction companies in the country. Then it established Murad's Rent a Car Co. which has recently become an agency for Hyundai Co. for cars and one of the biggest modern tourist rent car Companies at Bethlehem District.

In 2006, Murad's Tourist Resort was inaugurated and has been internationally recognized as premium tourist offering in the Holyland. This Resort was the first of its kind in the country where its basic utilities formed part of the local topography (underground caverns) with paid capital that exceeded 10 million USD.

## Industry Highlights:

The Palestinian tourism sector is mainly based around the 'pilgrimage' sub-sector; as it has been for more than 2000 years. It also benefits from Palestinian expatriates returning to visit their families and to a lesser extent from 'friends' of Palestine, the latter often young backpackers. Palestine clearly suffers hugely from an image problem and this will take time to change. However nearby markets with security issues such as Jordan, Egypt and of course Israel itself have successfully rebranded themselves in recent years and created successful tourist industries, albeit with much bigger budgets than Palestine is likely to have. Palestine itself started changing the image and promoting the Palestinian tourism sites away from security problems.

As of December 2009, there were 97 hotels in Palestine distributed as following:

- Northern West Bank: 7 hotels with 166 rooms and 346 beds
- Middle of the West Bank: 26 hotels with 1,083 rooms and 2,465 beds
- The Jerusalem area: 33 hotels with 1,639 rooms and 3,688 beds
- South of the West Bank: 23 hotels with 1,777 rooms and 3,989 beds
- The Gaza Strip: 8 hotels with 321 rooms and 536 beds

The average room occupancy in hotels operating in Palestine was 1,458 hotel rooms per day at 29% of all available rooms available. The number of guests in Palestinian hotels in the year 2009 totaled to 447,025 guests, 13% of them are Palestinians and 35% from the European Union. About 49% of these stayed in Jerusalem hotels, 30% in the south of the

West Bank (Bethlehem and Hebron) and 19% in the middle of the West Bank (Jericho and Ramallah). Only a tiny proportion stayed in the northern West Bank or in Gaza. Hotel figures compare favorably with the year 2000 (355,711) and the subsequent decline of 51,357 in 2002. The 2008 figure represents an occupancy rate of 36%, and there is evidence that this figure will be surpassed by the years of 2010 and 2011.

The average number of employees working in hotels reached 1,648 workers, including 1,398 male and 250 female. Those working in managerial positions have reached 299 workers including 236 male and 63 female, while those in the operating positions have reached 1,349 workers, including 1,162 male and 187 female.

### SWOT Analysis

Internal Analysis	
Strengths	Weaknesses
<ul style="list-style-type: none"> <li>• Large variety and comprehensive products and services which include sport, entertainment, tourism, recreation and educational and heritage activities</li> <li>• The Resort is first of its kind in Palestine Territory</li> </ul>	<ul style="list-style-type: none"> <li>• Lack of additional financial resources</li> </ul>
External Analysis	
Opportunities	Threats
<ul style="list-style-type: none"> <li>• The great potential of tourism in Bethlehem</li> <li>• The number of Christian tourists from all over the world is on the rise</li> <li>• The increase in the domestic tourism</li> </ul>	<ul style="list-style-type: none"> <li>• Political instability</li> </ul>

### Financial Projections in US\$

Indicators	2010	2011	2012	2013	2014
<b>Income statement Accounts</b>					
Revenues	759,732	835,705	5,204,000	5,646,200	5,737,410
Gross Profit	405,273	445,800	3,909,540	4,321,850	4,383,170
Net Income	108,475	119,323	2,748,440	3,160,750	3,222,070
<b>Cash Flow Accounts</b>					
Operating Cash Flow	113,899	125,289	2,885,862	3,318,788	3,383,073
Investing Cash Flow	(6,610,000)	(6,610,000)	0	0	0
Financing Cash Flow	14,552,460	0	0	0	0
<b>Balance Sheet Accounts</b>					
Total Assets	16,718,475	23,447,798	26,196,238	29,356,988	32,579,058
Total Liabilities	1,051,892	946,703	937,236	843,512	759,161
Total Equity	15,666,583	22,501,095	25,259,002	28,513,476	31,819,897
<b>Profitability Indicators</b>					
Return on Assets	1%	1%	10%	11%	10%
Return on Equity	1%	1%	11%	11%	10%

P.O.Box 1984, Ramallah, Palestine  
Phone: +970 2 2988791/2, Fax: +970 2 2988793

E-mail: [info@pipa.gov.ps](mailto:info@pipa.gov.ps)  
Website: [www.pipa.gov.ps](http://www.pipa.gov.ps)