



KFH

Local Real Estate

Report



Kuwait

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Q4
Fourth Quarter 2014

Kuwait



Introduction

Kuwait Real estate market is still recording significant increase in its results. The year 2014 witnessed one of the most remarkable performances for the market despite the major drop down in oil prices during the second half of 2014.

Real estate sales regained its increase trends during the Q4 2014 following the significant decline which it has witnessed during the Q3 2014. The said decline has come following a series of significant increases witnessed during the last two years, thus increasing the value of real estate transactions during 2014 to the highest levels compared to market sales in 2003 and 2007. Real estate sales jumped over KD 4.86 Billion in 2014 i.e. an increase by 22% or KD 876 million compared to 3.96 Billion in 2013. Accordingly, real estate sale recorded an increase by 76% in 2014, i.e. an increase exceeding KD 2.1 Billion compared to the value recorded 10 years ago.

Unlike Kuwait Stock Exchange, it seems that Local real estate has managed to survive the negative impacts of the drop down in oil prices. Real estate transactions increased by 22% per annum while KSE deals volume decreased by 46%.

Decline in oil prices is not expected to cause any parallel decline in real estate market. Accordingly, the increase in real estate prices contradicts the idea that high fuel prices have contributed to real estate market robust.

However, there are certain inherent risks which the oil dependent real estate housing market may witness in Kuwait. Real estate sector represents nearly 10% of GDP in Kuwait, thus signaling a minor risk of drop down in local real estate prices.

The impact of low oil prices on real estate activity in Kuwait is expected to be under control on the short run. However, negative developments are expected to continue by time. Indirect impacts of drop down in oil prices on economic activity, namely, real estate sector, may lead to a decline in liquidity and profitability levels. Coping with the new situation may not occur at an appropriate pace considering the

strong connection between non-oil growth and government spending, especially capital spending. However, real estate is expected to be more rigid due to its rarity, competition increased demand by investors, and ability to realize fixed and guaranteed returns if evaluated in a realistic way without any exaggerations.

Kuwait has large precautionary margins comprising foreign assets, international reserves and significant lending power that allow it to cut spending sharply and mitigate pressures on growth.

International Monetary Fund anticipated that oil production losses for the year 2015 would approximate US\$ 300 Billion or 21 point of GDP in GCC countries and approximately US\$ 90 Billion or 10% of GDP in other non-GCC countries.

Housing issue was subjected to heavy discussions by the parliament, government and all interested parties. An economic conference was held in Kuwait during March 2014, titled Kuwait Housing Conference. Several aspects and dimensions of housing issue and methods of reformation were discussed. The outcome of the conference comprised several recommendations which were discussed with the real estate union and various real estate parties in November 2014. The Kuwait government pledged to provide 12 thousand units annually to fulfill the waiting list which includes 110 thousand housing applications.

Although investment real estate rent levels for the year 2014 were high, yet the price/rent (income) ratio is still within reasonable range. Real estate sector is still the main attraction point among other sectors. This may be attributed to several factors including continuous decline in interest rates which have reached unprecedented levels, thus inducing customers to resort to banking finance. Furthermore, deposits market and stock exchange market have shown no competition. Therefore, real estate investment is still enjoying several advantages to develop and grow.

The above facts are confirmed through the main event which Kuwait has witnessed. The event is represented in the real estate auction which KFH held during the period 17-18 December 2014 at Marriott Hotel to sell KFH Real estate portfolio following the lapse of 5 years from the date of establishment. The auction witnessed a significant number of visitors and investors. Sold real estates' value exceeded basic prices.

Market Trends During The Year

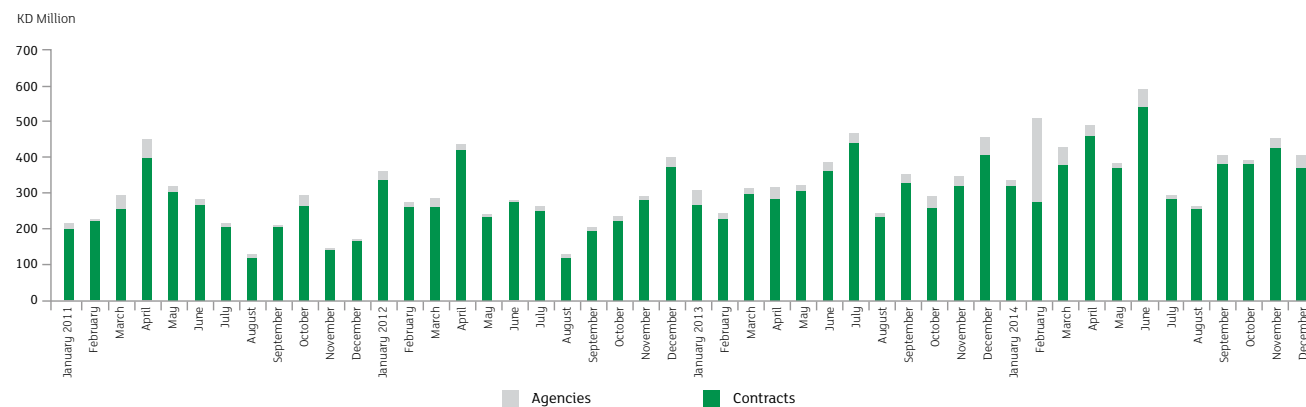
Annual performance was highly significant, thus witnessing an increase by 13% in residential properties against a 14% decrease in investment properties. Commercial properties witnessed a significant increase by 129% annually, accompanied an increase in private residential properties prices by 3% annually during Q4. Movement ratios of such properties varied from one area to another. Investment properties increased significantly by 12% during 2014. Commercial properties indexes marked an increase by 5.7% annually during Q4 2014 with the continued improvement of occupancy ratios in office buildings in Farwaniya, Fahaheel and Capital areas.

Gross real estate transactions value in Q4 2014 exceeded KD 1.2 Billion, thus marking an increase by KD 265.4 million or 28% compared to KD 953 million during Q3 2014.

Changes on Total Real Estate Sales Values for the Period 2010 – 2014

	2010	2011	2012	2013	2014
January	178	211	354	303	330
February	107	220	270	239	500
March	241	290	281	308	421
April	192	442	429	310	480
May	280	313	238	318	374
June	191	278	277	380	578
July	130	211	261	461	291
August	138	124	129	241	263
September	179	203	202	346	399
October	199	290	233	289	384
November	171	145	286	343	442
December	308	169	395	449	398
	2,315	2,896	3,355	3,985	4,861

Development of the total value of real estate trading monthly starting 2011 to December 2014



Private residence property transactions represent 45% of total real estate transactions value during Q4 2014 compared to 43% during Q3 2014. Investment transactions declined to 33% compared to a share representing half of total transactions value for Q3 2014. Commercial property transactions share increased and reached its highest levels by 21% compared to 4% for Q3 2014. Transactions pertaining to trade properties and showrooms decreased relatively as it reached 1% during Q4 compared to 3% for Q3 2014. Coastal strip transactions contributed by less than 1% for Q4 2014.

Private residence property transactions have contributed to the increase in total value of real estate transactions. Residential properties transactions volume increased by 33% i.e. KD 138.6 million compared to residential transactions value for Q3 2014.

Investment property transactions declined considerably by 15% i.e. more than KD 71.3 million during Q3 2014. Commercial property transactions have contributed significantly to the increase of total transactions value during Q4. Commercial transactions value have doubled 6 times its value in Q3, thus reaching KD 218 million during Q4 compared to the value during Q3 2014.

Coastal strip real estate transactions witnessed an unprecedented increase by 43% thus reaching KD 7.2 million.

Stores and workshops transactions decreased for the first time to an unprecedented ratio 89% i.e. KD 22 million compared to the value recorded for Q3 2014.

Concerning prices recorded by residential properties price indexes at Kuwait governorates level during Q4 compared to Q3 2014, indexes have recorded slight decline by less than 1% for average Kuwait governorates. Most of Kuwait governorates witnessed stability in prices compared to average prices recorded in Q3 2014. Meanwhile indexes recorded an increase by 3% annually. Investment residence average price indexes recorded an increase by 1.5% for average Kuwait governorates during Q4 compared to Q3 2014 while average prices recorded an increase 12% annually.

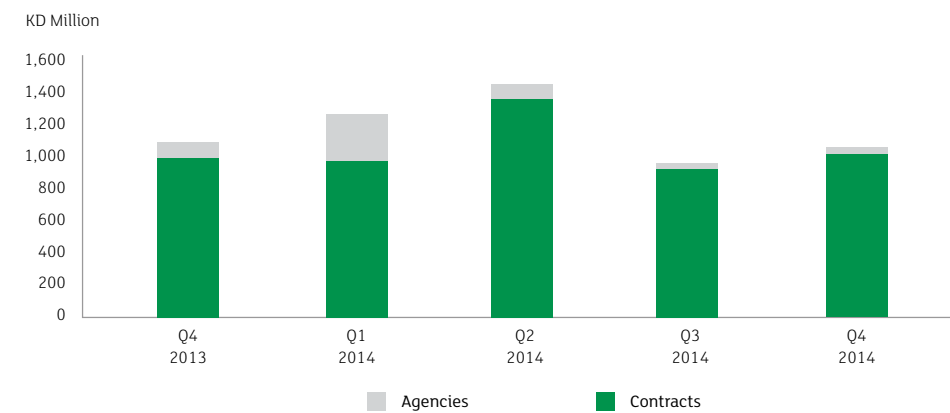
Commercial properties price indexes improved by less than 1% for average Kuwait governorates during Q4 compared to a limited increase during Q3 2014. Price indexes increased by more than 5.7% annually. Average price per meter in city governorate approximated KD 6,015 during Q4 2014.

Average price per meter increased in Hawalli governorate to reach KD 3,564. Prices in Farwaniya increased to the highest level among governorates by 1.5% i.e. KD 2,543. Al Jahra governorate recorded a slight improvement by less than 1% to record KD 2,865 per meter. Average price per meter in Al Ahmadi governorate recorded KD 3,053 during Q4 2014.

Market Trends During Q4

According to transaction indexes issued by the Registration and Authentication Department - Ministry of Justice during Q4 2014, Total real estate transactions reached KD 1.218 billion, thus recording the highest increase since 2 years i.e. by 28% or KD 265 million over its value which has reached KD 952.979 million for Q3 2014. On the other hand real estate transactions notched up slightly on annual basis, lowest in two years, at 13% i.e. KD 138 million over its value during Q4 2013 which has recorded KD 1.08 billion.

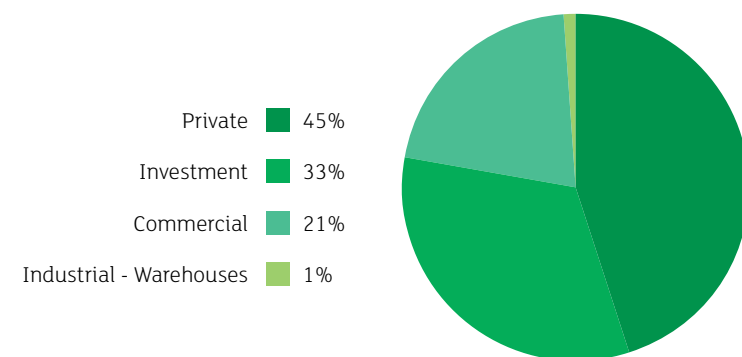
Progress of the total value of Real Estate transactions from Q4 of 2013 until Q4 of 2014



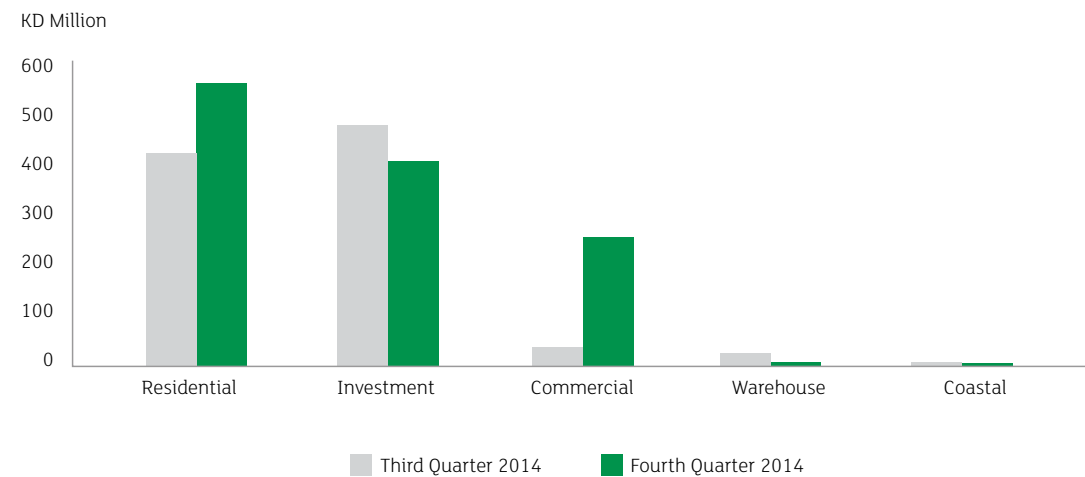
Total contractual real estate transactions exceeded KD 1 billion during Q4 2014, thus recording a remarkable increase by 24% or KD 220 million above its value KD 920 Million during Q3 2014. Total real estate transactions (agency wise) reached KD 78 million during Q4 2014, thus marking an increase by KD 45 million compared to KD 33 million during Q3 2014.

Real estate transactions (contract wise) recorded an increase by 17% or KD 166 million as it has reached KD 974 million during Q4 2013. Total real estate transactions value (agency wise) decreased by 26% annually or KD 28 million as it reached KD 106 million during Q4 2013.

Real estate transactions by Sector as a percentage of the total Real Estate transactions during Q4 of 2014

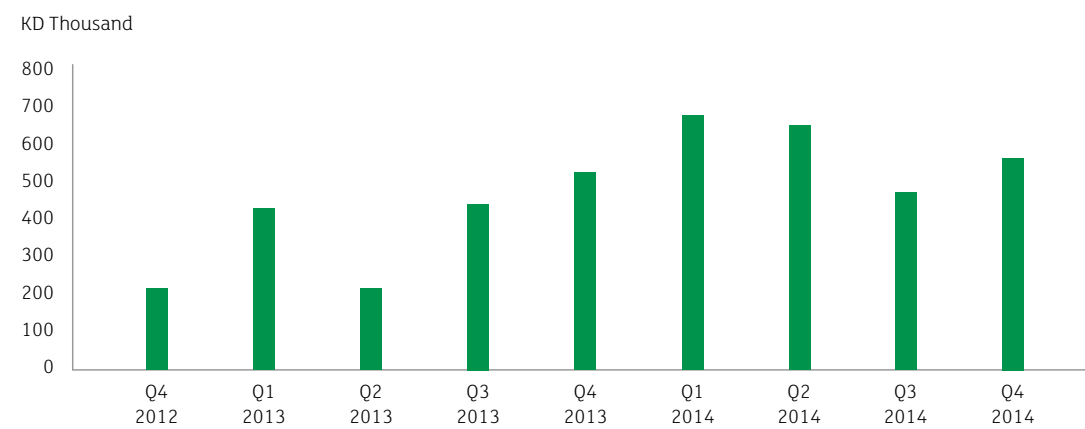


Value of Real Estate transactions for every sector during Q3 and Q4 of 2014



Average total transaction value recorded KD 562 Thousand during Q4 2014, thus marking an increase by 19% or KD 91 thousand compared to KD 471 thousand during Q3 2014. Average total transaction value recorded a slight increase, lowest in 2 years, by 7% on annual basis compared to Q4 2013.

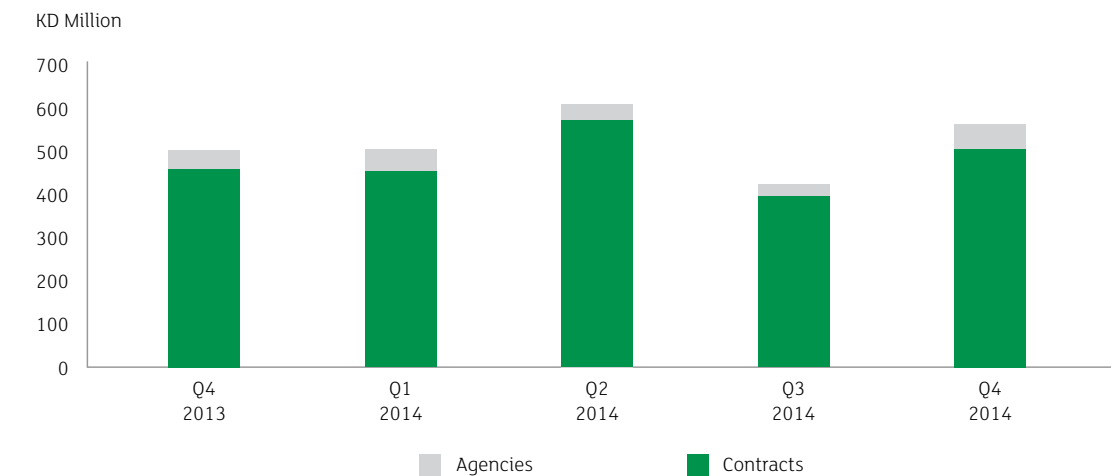
Progress average value of the total Real Estate transactions from Q4 2012 - Q4 2014



Private Residence Trends During Q4

Real estate transactions value improved in regard to private residence during Q4, thus marking an increase by 45% of total real estate transactions compared to Q3 2014 which has participated by 43% of total transactions value.

Progress of the Private Residence properties value transactions from Q4 2013 – Q4 2014

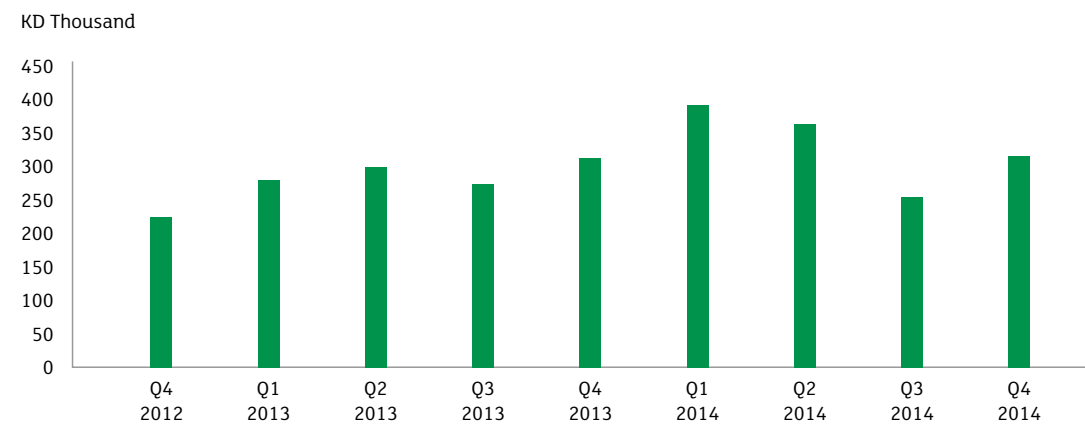


Real estate transactions value concerning private residence recorded KD 553.4 million during Q4 2014 compared to KD 415 million during Q3 2014, thus marking a remarkable increase by KD 138.6 million i.e. the highest increase recorded 33% in 2 years.

Private residence transactions reached 1,761 transactions during Q4 2014 compared to 1,620 transactions recorded in Q3 2013, thus marking an increase by 8.7% or 141 transactions.

Accordingly, average transaction value increased during Q4 2014 to exceed KD 314 thousand i.e. an increase by 23% or 58 thousand compared to KD 256 thousand during Q3 2014.

Progress average transaction value of the housing real estate transactions from Q4 2012 – Q4- 2014



Concerning private residence monthly transactions value during Q4 2014, the month of December recorded the highest transactions share during Q4 2014 recording 38.5% or KD 213 million of total private transactions. The month of November came second with KD 189 million representing 34% while October came last with KD 151 million or 27.5% of private residence transactions during Q4 2014.

Investment Real Estate Trends

Investment real estate transactions declined during Q4 2014 for the second time respectively to record KD 402.8 thus recording a remarkable decline exceeding KD 71.3 million or 15% compared to KD 474 million during Q3 2014.

Decline in value of investment real estate transactions has mitigated its share in total real estate transactions value during Q4 2014 to 33% compared to its share which represented half the value of these transactions during Q3 2014.

Investment real estate transactions value dropped down remarkably by 14% annually i.e. KD 63 million compared to KD 466 million during Q4 2013.

Progress of transaction value of Investment Real-Estate from Q4 2013 – Q4 2014

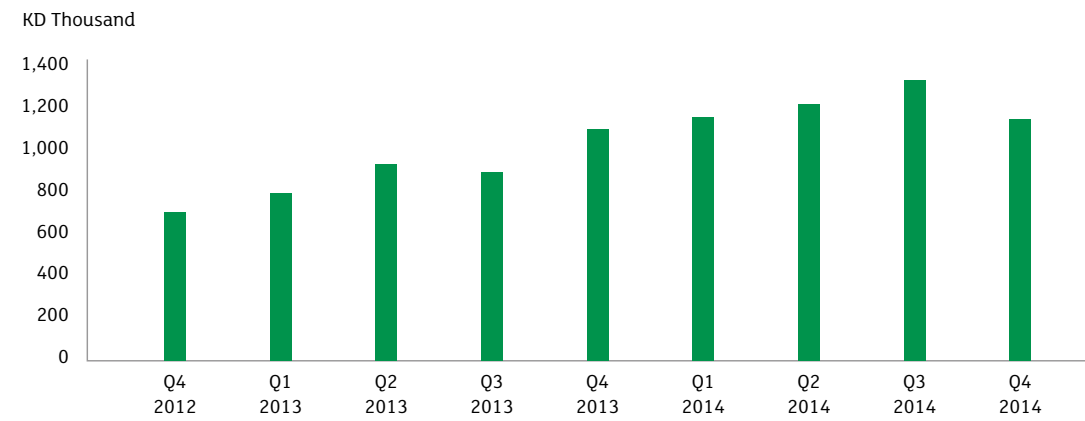


Drop down in total investment real estate transactions value was accompanied by a slight decrease in the number of transactions to reach 358 transactions during Q4 2014, a decrease which does not exceed 0.5% i.e. 2 transactions less than the recorded number 360 deals during Q3 2014.

Average investment real estate transaction value recorded KD 1.1 million during Q4 2014 i.e. a significant decrease less by 15% or KD 192 thousand than the value KD 1.3 million during Q4 2014.

Annual average transaction value for investment real estate transactions increased during Q4 2014 by KD 49 thousand or 5% compared to Q4 2014 which has recorded an average value KD 1.08 million per transaction.

Progress average transaction value out of the total investment real estate transactions from Q4 2012 – Q4 2014



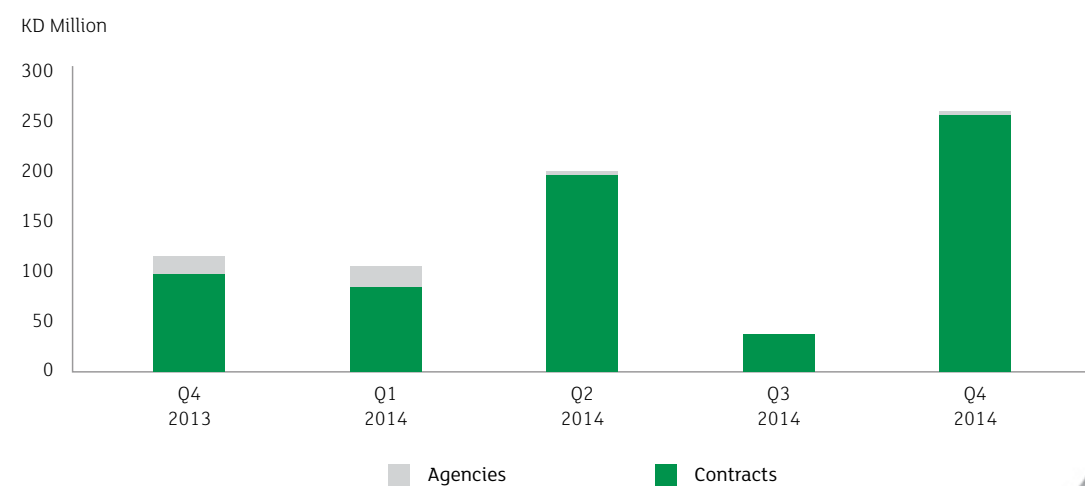
Concerning monthly investment transactions volume during Q4 2014, the month of October has dominated 36% of total investment transactions during Q4 2014, thus recording KD 145.5 million, followed by December which has dominated 35% i.e. KD 139.8 million while November came last with a share approximating 29% or KD 117.5 million.

Commercial Real Estate Trends

Commercial real estate transactions value doubled and recorded an unprecedented increase ever witnessed in the market for Q4 compared to Q3. Commercial real estate transactions reached KD 252 million i.e. an increase by KD 218 million and six times double the value which has recorded KD 34 million in Q3 2014. These achieved results have increased commercial real estate transactions share to 22% of total real estate transactions during Q4 compared to 4% during Q3 2014.

Annual commercial real estate transactions value recorded an increase surpassing KD 142 million in Q4 2014 compared to KD 110 million during Q4 2013.

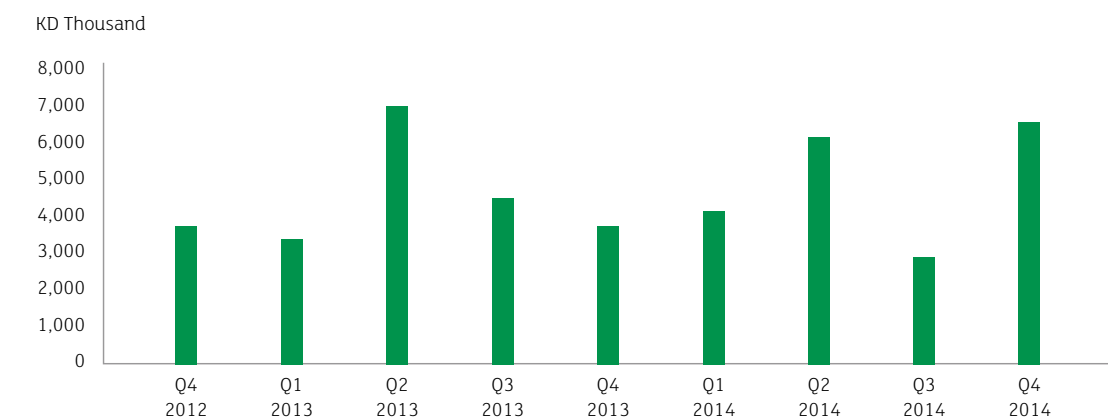
Progress of the values of commercial property transaction from Q4 2013 – Q4 2014



Commercial transactions approximated 39 transactions during Q4 2014, thus recording a remarkable increase by 27 transactions compared to 12 transactions during Q3 2014.

Average commercial real estate transaction value doubled and reached KD 6.5 million during Q4 2014, thus marking an increase by 127% or KD 3.6 million. Average transaction value exceeded KD 2.8 million during Q3 2014. Annual average transaction value recorded its highest since 2 years, thus reaching 76% or KD 2.8 million compared to KD 3.7 million.

Progress of the average value of commercial property transactions Q4 2012 – Q4 2014



Concerning monthly transaction values of commercial real estate transactions volume during Q4 2014, November has dominated more than half the value, capturing a share exceeding 53% of commercial real estate transactions i.e. KD 134 million. October came second with a share representing 32% of total commercial real estate transactions or KD 79.6 Million while December came last with a share of 15% or KD 38 million.

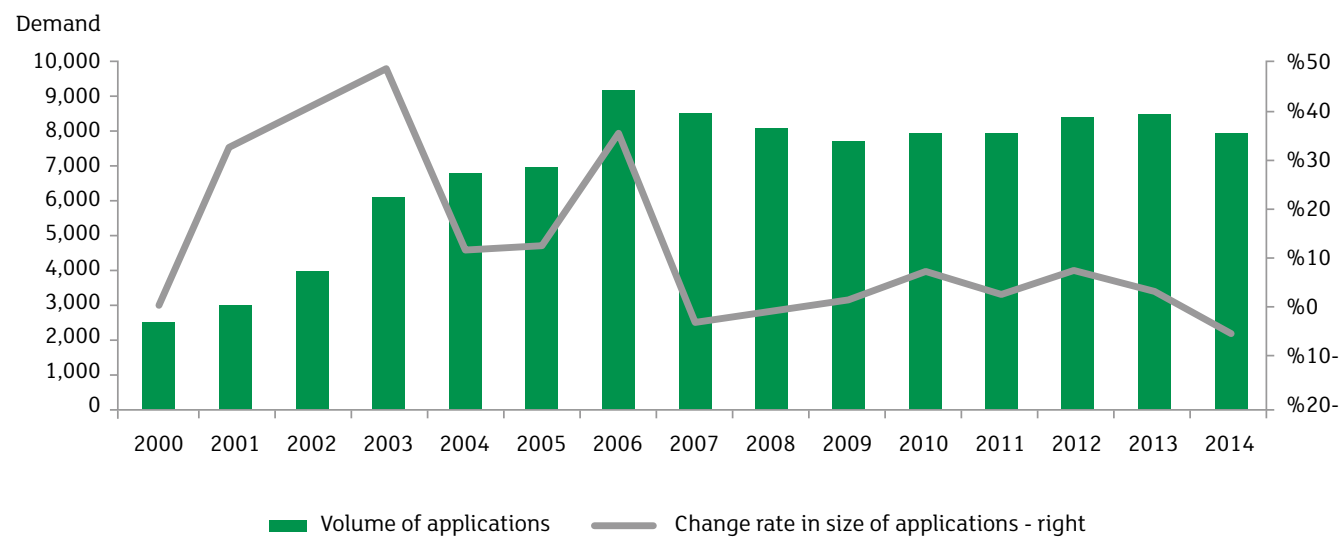
Price Index

First: Private Residence Property Prices

The state aims to complete more than 36 thousand residential units by 2017. Applications for residential units dropped down for the first time ever to reach 110.3 thousand applications since 1985 till the date of the latest report issued by the Public Authority for Housing Welfare 9/7/2014. Applications submitted approximated 7,792 applications since early 2014 till July 2014. Housing applications approximated 8,467 applications in 2013. The authority have fulfilled some of the applications. However, accumulated applications that require the provision of more units so that lack of offer does not lead to an increase in prices.

The Public Authority for Housing Welfare has managed, as per the proposed distribution table for the year 2014/2015 to distribute around 4,491 residential units in cities like Sabah Al Ahmed, West Abdullah Al Mubarak, Abu Halifa and Sabahiya since September till end of December 2014. The Authority plans to distribute more than 12,753 units during the year 2014/2015 and distribute more than 8000 residential units during Q1 2015, thus aiming to mitigate crisis impact.

Progress of the number of residential applications submitted PAHW 2000 - 2014



The Public Authority for Housing Welfare has adopted an ambitious plan for the period 2011 – 2014 including construction of houses, plots, services, buildings and public facilities in cooperation with major companies in various economic sectors. Also, it has injected new investments in Kuwaiti economy, bearing in mind that such investments require road construction project, and provision of service and main buildings. Accordingly, the Housing authority has managed to deliver some of these projects during 2014.

Public Authority for Housing Welfare has completed the execution of some other projects during Q4 2014 including road and main services projects which were planned to be constructed in Sabah Al-Ahmed city. Actual completion percentage in some of those projects approximated 95% of the determined completion percentage as per the Housing Authority report for October 2014.

The authority created new projects such as Al Qairawan Project, infrastructure projects, road and main parking projects in the expansion project of Wafra City and the completion and maintenance project of main buildings at Wafra project during Q4/2014.

List of projects and initiatives announced by the technical bureau for studying development projects and initiatives, mainly as follows:

List of Projects for Houses, Plots, Services, and Affiliated Public Buildings carried out by PAHW October 2014

#	Area	Contract Value	Actual Completion %	
			Q4 2014	Q3 2014
1	Sabah Al Ahmad City	132.9	96%	93%
2	Sabah Al Ahmad City	127.9	82%	81%
3	Sabah Al Ahmad City	200.7	80.7%	80.5%
4	Northwest Sulaibikhat City	34.3	62.6%	59%
5	Sabah Al Ahmad City	18.9	65%	62%
6	Northwest Sulaibikhat City	38.1	56.8%	54%
7	Jaber Al Ahmed City	58.4	3%	2%
8	Wafra Housing Extensions	28.5	New project, time schedule under process	
Cost		KD 639.8 M		

List of projects for public buildings carried out by PAHW - October 2014

#	Area	Contract Value	Actual Rate of Completion	
			Q4 2014	Q3 2014
9	Sabah Al Ahmad City	34	53%	51 %
10	Sabah Al Ahmad City	38.5	41%	38 %
11	Sabah Al Ahmad City	6.2	37%	33 %
12	Jaber Al Ahmad City	57.3	37%	35 %
13	Sabah Al Ahmad City	44.7	21%	18.7 %
14	Naseem Housing Project	9	19.6%	14.6%
15	Sabah Al Ahmad City	36.4	4%	3.7 %
16	Existing Wafra Project	21.1	New project, time schedule under process	
Cost		KD 247.5M		

List of projects for Roads & Main Services carried out by the Public Authority for Housing Welfare (PAHW) - October 2014

#	Area	Contract Value	Actual Rate of Completion	
			Q4 2014	Q3 2014
17	Sabah Al Ahmad City	13.2	Delivered	100 %
18	Sabah Al Ahmad City	6.6	59.7%	59 %
19	Saad Al Abdullah	1	36.4%	27.9 %
20	Jaber Al Ahmad City	1.9	38%	35.5%
21	Jaber Al Ahmad City	1.09	9%	5%
22	Al Qairawan Area	79.3	New Project. Time schedule under process	
Cost		KD 23.97 M		
Total Cost of PAHW Projects		KD911.3 M		

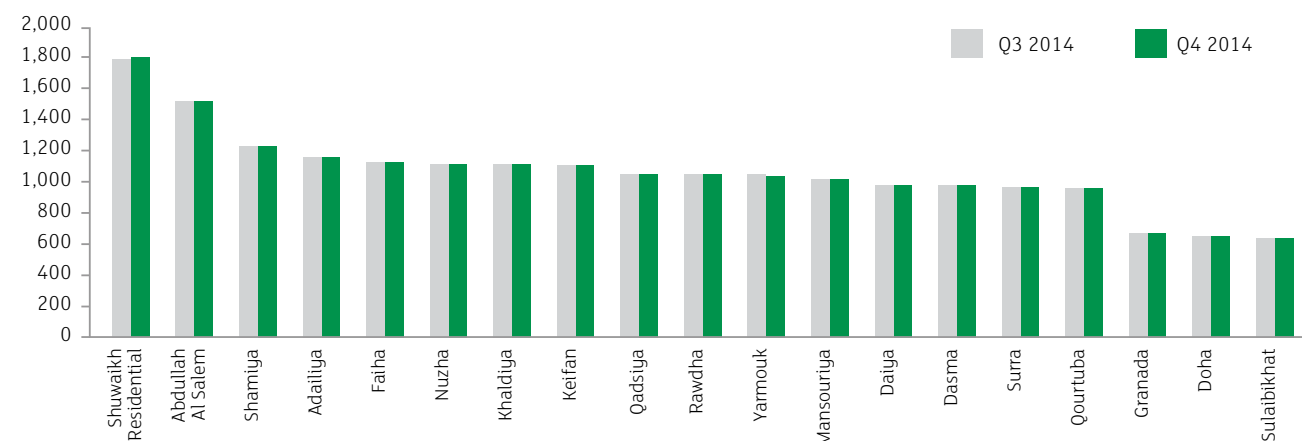
Source: List of Projects of the Public Authority for Housing Welfare (PAHW) – October 2014 (www.housing.gov.kw)

Residential land price indexes in capital governorate were stable during Q4 2014 compared to a relatively minor decline witnessed during Q3 2014.

Average price per meter recorded KD 1,074 during the Q3 and Q4 2014 on the back of a slight increase in certain areas and stability of prices in most governorate areas except other areas which have witnessed limited decline. Highest value area was Shuwaikh residential area which has recorded the only increase among governorate areas, thus recording KD 1,818/m².

Prices in Abdullah Al-Salem district stood at KD 1,533/m², which is second highest average price per square meter at governorate level. Prices were stable in Shamiya, Nuzha, Khaldiya and Kaifan. Prices have also settled down in Adiliya and Faihaa areas following a slight draw back witnessed in Q3. Prices have recorded a slight decline in Rawda, Yarmouk and Gharnata areas. Prices stood still at their lowest in Doha and Sulaibikhat areas, average KD 652 and 643 during Q4 2014.

Average Price per Square Meter for Private Residence in Capital Governorate during Q3 & Q4 of 2014



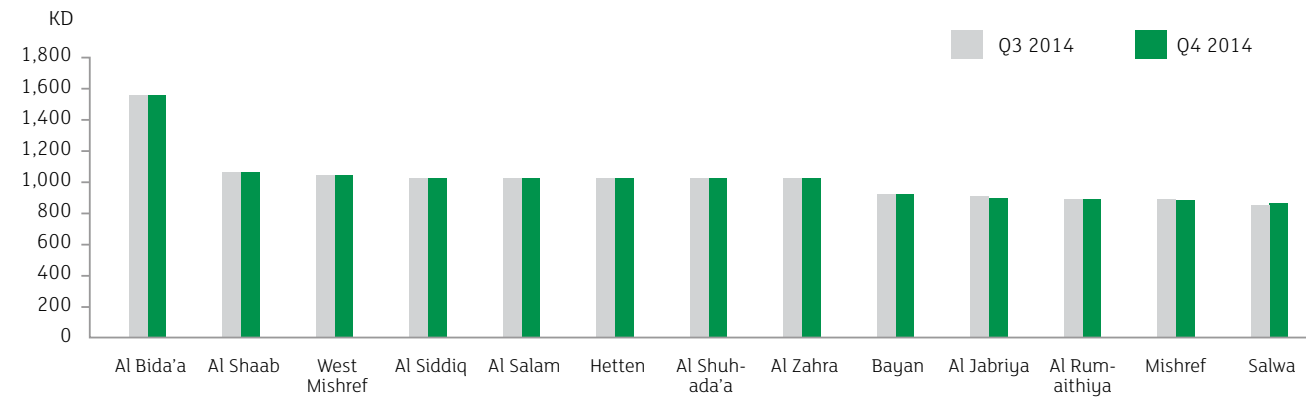
Residential Plot Prices at Capital Governorate

Region	Area	Building %	street	Land Market Value (KD)		Market Value /m ² (KD)		Average Price/M ² Q4 2014
				from	To	From	To	
Al Shuwaikh Residential	500	210%	Internal	850,000	900,000	1,700	1,800	1750
	1000	210%	Internal	1,500,000	1,750,000	1,500	1,750	1625
	1000	210%	Main	1,750,000	1,900,000	1,750	1,900	1825
General Average in the Area				1,525,000	1,675,000	1,738	1,900	1,819
Abdullah Al Salem Area	500	210%	Internal	675,000	800,000	1,350	1,600	1,475
	750	210%	Internal	950,000	1,180,000	1,267	1,573	1,420
	1000	210%	Internal	1,200,000	1,400,000	1,200	1,400	1,300
General Average in the Area				1,187,500	1,380,000	1,413.9	1,651	1,532
Shamiya	250	320%	Internal	280,000	340,000	1,120	1,360	1240
	500	210%	Internal	580,000	650,000	1,160	1,300	1230
	750	210%	Internal	770,000	940,000	1,026.7	1,253	1,140
General Average in the Area				764,286	897,143	1,135	1,330	1,233
Nuzha	500	210%	Internal	550,000	600,000	1,100	1,200	1,150
	500	210%	Main	580,000	700,000	1,160	1,400	1,280
	750	210%	Internal	790,000	940,000	1,053	1,253	1,153
	750	210%	Main	850,000	1,075,000	1,133	1,433	1,283
General Average in the Area				804,000	938,000	1,139	1,332	1,236
Khaldiya	750	210%	Internal	750,000	880,000	1,000	1,173	1,087
	750	210%	Main	825,000	975,000	1,100	1,300	1,200
	1,000	210%	Internal	900,000	1,150,000	900	1,150	1,025
	1,000	210%	Main	1,100,000	1,300,000	1,100	1,300	1,200
General Average in the Area				1,100,000	1,300,000	1,100	1,300	1,200
Adiliya	500	210%	Internal	525,000	600,000	1,050.0	1,200.0	1,125
	500	210%	Main	600,000	680,000	1,200.0	1,360.0	1,280
	750	210%	Internal	725,000	865,000	966.7	1,153.3	1,060
	750	210%	Main	825,000	940,000	1,100.0	1,253.3	1,176
General Average in the Area				884,375	1,010,625	1,089.6	1,245.8	1,167

Average price per square meter stabilized at Hawalli governorate during Q4 2014 for the third time respectively, thus recording KD 1,015 during Q4 2014 compared to Q3 2014.

Most governorate areas witnessed stability in prices during Q4 2014. Highest price areas in the governorate e.g. Al Bedaa and Al Shaab have not witnessed any changes during Q4. Prices stabilized in West Mishrif during Q4 compared to Q3 which had witnessed slight change. Prices settled down in Al Siddiq, Al Salam, Hateen, Al Shuhadaa and Zahraa areas while areas like Al Jabriya, Al Rumaithiya, and Mishrif witnessed a slight draw back by 1%. Salwa, lowest price area, recorded a slight notch up 1%.

Average price per square meter for Private Residence in Hawalli Governorate during Q3 & Q4 of 2014



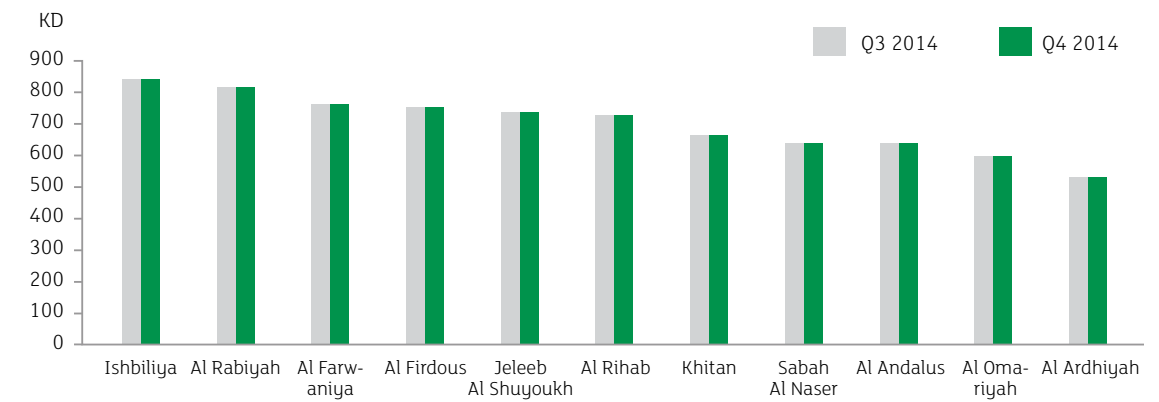
Residential Plot Prices at Hawalli Governorate

Region	Building %	Area	Site	Land Market Value (KD)		Market Value/m2 (KD)		Average Price/M2 Q4 2014
				from	To	From	To	
Al Shaab	210%	400	Internal	420,000	460,000	1,050	1,150	1,100
	210%	400	Main	450,000	500,000	1,125	1,250	1,188
	210%	500	Internal	480,000	550,000	960	1,100	1,030
General Average in the Area				540,833	598,333	1,002	1,112	1,057
Al Jabriya	210%	400	Internal	360,000	410,000	900	1,025	963
	210%	400	Main	400,000	460,000	1,000	1,150	1,075
General Average in the Area				536,667	606,667	837	953	895
Al Rumaithiya	210%	400	Internal	330,000	370,000	825	925	875
	210%	400	Main	370,000	450,000	925	1,125	1,025
	210%	500	Internal	360,000	400,000	720	800	760
General Average in the Area				541,111	628,889	814	948	881
Salwa	210%	500	Internal	360,000	400,000	720	800	760
	210%	500	Main	410,000	450,000	820	900	860
General Average in the Area				644,286	728,571	805	909	857
Al Salam	210%	400	Internal	390,000	430,000	975	1,075	1,025
	210%	400	Main	430,000	460,000	1,075	1,150	1,113
General Average in the Area				435,000	480,000	973	1,071	1,022
Hateen	210%	400	Internal	390,000	430,000	975	1,075	1,025
	210%	400	Main	430,000	460,000	1,075	1,150	1,113
General Average in the Area				435,000	480,000	973	1,071	1,022
Al Shuhadaa	210%	400	Internal	390,000	430,000	975	1,075	1,025
	210%	400	Main	430,000	460,000	1,075	1,150	1,113
General Average in the Area				435,000	480,000	973	1,071	1,022

Average prices in Al Farwaniya governorate stood at KD 720 / m2 during Q4 2014 compared to Q3 2014 which has witnessed a slight increase by 1%.

Average prices stood still in most governorate areas, namely Eshbelia which has recorded the highest price KD 844 per square meter. Prices have settled down at Rabia, Farwaniya, Firdous, Jaleeb Al Shuyoukh and Khaitan areas. They have also settled down during Q4 2014 in areas which have recorded significant increases in prices 24% and settled down in Omariya which had recorded an increase by 13% earlier. Prices in Sabah Al Naser area settled down once again in Q4 following the 11% decline witnessed during Q3/2014.

Average price per square meter for Private Residence in Farwaniya Governorate during Q3 & Q4 of 2014



Residential Plot Prices at Al Farwaniya Governorate

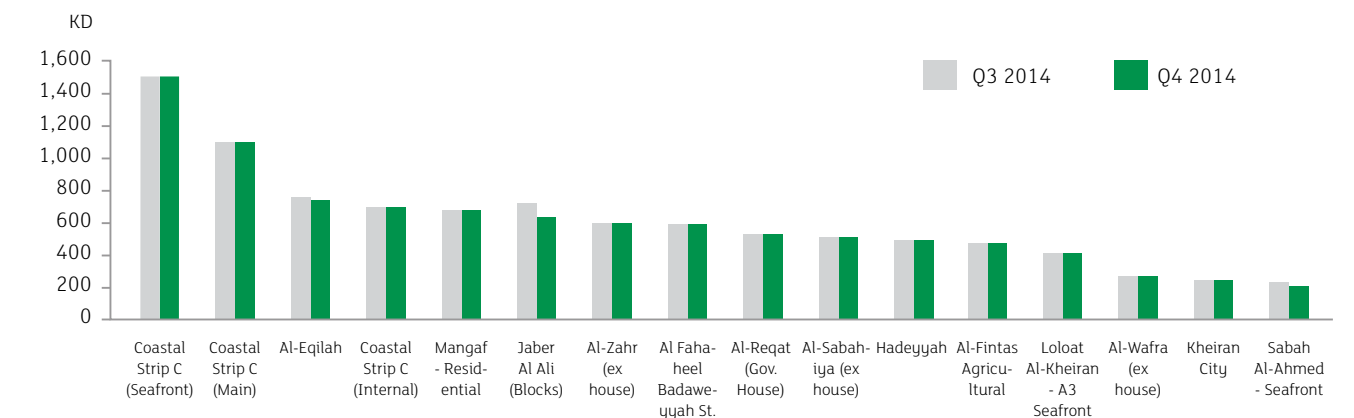
Region	Building %	Area	Site	Land Market Value (KD)		Market Value/m2 (KD)		Average Price/M ² Q4 2014
				From	To	From	To	
Andalus	210%	500	Internal	290,000	330,000	580	660	620
	210%	500	Main	320,000	360,000	640	720	680
General Average in the Area				386,000	444,000	596	684	640
Rabia (Existing House)	210%	500	Internal	280,000	325,000	700	813	756
	210%	500	Main	330,000	370,000	825	925	875
General Average in the Area				305,000	347,500	763	869	816
Eshbelia	210%	400	Internal	330,000	350,000	825	875	850
	210%	400	Main	340,000	380,000	850	950	900
General Average in the Area				340,000	374,167	804	884	844
Farwaniya	210%	500	Internal	350,000	380,000	700	760	730
	210%	500	Main	380,000	420,000	760	840	800
General Average in the Area				365,000	400,000	730	800	765
Khaitan (behind Khaitan Club)	210%	400	Internal	280,000	310,000	700	775	738
	210%	1000	Main	700,000	750,000	700	750	725
General Average in the Area				457,500	502,500	633	698	666
Jaleeb Al Shuyoukh	210%	500	Internal	300,000	360,000	600	720	660
General Average in the Area				340,000	400,000	680	800	740
Ardiya	210%	750	Internal	350,000	400,000	467	533	500
	210%	750	Main	390,000	450,000	520	600	560
General Average in the Area				370,000	425,000	493	567	530

Prices in Al Ahmadi governorate recorded a decline less than 1% during Q4 i.e. KD 592 compared to a limited increase 2.2 % recorded during Q3 2014 i.e. KD 597.

Prices in most of Al Ahmadi governorate areas were stable except some other areas which have witnessed significant decline during Q4 2014. Sothern and main coast strip areas witnessed remarkable stability and still considered the highest price areas meter price wise. Prices declined significantly by 2.9% in Egaila area and showed stable average prices in Mangaf during Q4 2014 compared to an increase by 7.5% during Q3 2014. Prices declined in Jaber Al Ali area by 13% during Q4 2014 and remained stable in Al Dhaher, Fahaheel, Riqqa and Sabahiya areas.

Khairan Pearl area witnessed stability during Q4 2014 while prices declined by 10% in Sabah Al-Ahmed marine area which represents the lowest average price area per square meter in the governorate.

Average price per square meter for the Private Residence in Al Ahmadi Governorate during Q3 & Q4 of 2014



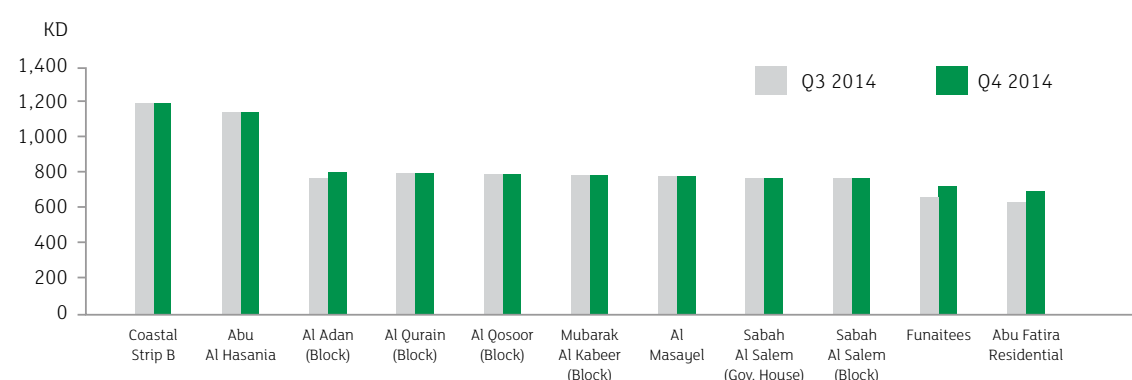
Residential Plot Prices at Al Ahmadi Governorate

Region	Building %	Area	Site	Land Market Value (KD)		Market Value/M ² (KD)		Average Price/M ² Q4 2014
				From	To	From	To	
Fintas Agricultural	210%	1000	Internal	430,000	470,000	430	470	450
	210%	1000	Main	480,000	520,000	480	520	500
Hadiya	210%	750	Internal	310,000	360,000	413	480	447
	210%	750	Main	380,000	420,000	507	560	533
Egaila	210%	400	Internal	270,000	310,000	675	775	725
	210%	400	Main	300,000	340,000	750	850	800
	210%	500	Internal	290,000	340,000	580	680	630
	210%	500	Main	340,000	390,000	680	780	730
Coast strip C overlooking Sea	150%	750	Main	1,100,000	1,150,000	1,467	1,533	1,500
Coast strip C overlooking Main Road	150%	750	Main	770,000	870,000	1,027	1,160	1,093
Coast Strip C Internal Streets	150%	750	Internal	500,000	550,000	667	733	700
Khairan Residential	210%	400	Internal	85,000	110,000	213	275	244
Sabah Al Ahmad Marine A1 (Overlooking Sea)	210%	1200	Marine	250,000	265,000	208	221	215
Sabah Al Ahmad Marine A2 (Overlooking Sea)	210%	1200	Marine	276,000	312,000	230	265	247
Khairan Pearl Marine A3 City (Overlooking Sea)	210%	640	Marine	250,000	280,000	391	438	414
Sabah Al Ahmad Marine A1 + A2 (Land)	210%	500	Internal	110,000	130,000	183	217	200
Al Mangaf Residential	210%	375	Main	270,000	290,000	720	733	747
Al Mangaf Residential	210%	400	Main	280,000	310,000	700	775	783

Mubarak Al-Kabeer governorate witnessed a slight decline in average prices by 1% recording KD 835 during Q4 2014 compared to a limited increase 1.6% i.e. KD 844 recorded during Q3 2014.

This decline may be attributed to the stable average prices in most areas, bearing in mind that prices declined slightly in certain governorate areas. Prices declined slightly by less than 1% in the coastal strip areas which are still recording the highest prices among governorate areas. Prices recorded a draw back in Abu Al Hassaniya area, second highest price area during Q4. Average prices remained stable in areas like Addan, Qurain, Qosour, Mubarak Al-Kabeer and Sabah Al Salem while Masayel area witnessed a slight decline by 2.8%. Fenaitees and Abu-Fatira residential areas were the lowest among governorate areas where prices declined by 4.7% and 5.2% respectively following the remarkable increase which they have recorded during Q3 2014.

Average price meter for the Private Residence in Mubarak Al Kabeer Governorate during Q3 & Q4 of 2014



Residential Plot Prices at Mubarak Al-Kabeer Governorate

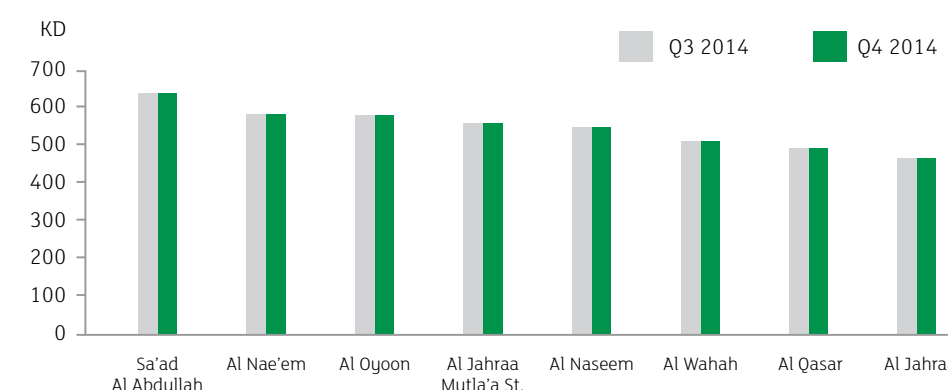
Region	Building %	Area	Site	Land Market Value (KD)		Market Value/M ² (KD)		Average Price/M ² Q4 2014
				From	To	From	To	
Abu Al Hassaniya	150%	1000	Internal	700,000	900,000	700	900	800
	150%	1000	Fahaheel	1,050,000	1,150,000	1,050	1,150	1,100
	150%	2000	Marine	2,900,000	3,200,000	1,450	1,600	1,525
General Average in the Area				1,550,000	1,750,000	1,067	1,217	1,142
Masayel	210%	400	Internal	290,000	330,000	725	825	775
	210%	400	Main	330,000	370,000	825	925	875
	210%	500	Internal	330,000	370,000	660	740	700
	210%	500	Main	360,000	420,000	720	840	780
General Average in the Area				327,500	372,500	733	833	783
Abu Fatira Residential	210%	400	Internal	240,000	280,000	600	700	650
	210%	400	Main	280,000	315,000	700	788	744
	210%	500	Internal	280,000	315,000	560	630	595
	210%	500	Main	315,000	355,000	630	710	670
General Average in the Area				278,750	316,250	623	707	665

Average prices settled down in Al Jahra Governorate at KD 559 during Q4 2014 while Q3 witnessed a decline by 3.2%.

Prices stabilized also in Saad Al Abdullah area being one of the highest priced areas compared to the slight decline 1% during Q3 2014. Areas like Oyouun and Na'eem have not witnessed any change in prices. Al Jahra area - Mutlaa St. and Naseem area witnessed a significant and remarkable stability following the slight decline seen in Q3.

Average prices stabilized in Qaser and Old Jahra areas despite the significant decline which they have witnessed by 8.6% and 17.5% during Q3. Al Waha area, marked as the highest priced area in the governorate during Q3, witnessed a remarkable stability during Q4.

Average price per square meter for the Private Residence in Al Jahra Governorate during Q3 & Q4 of 2014



Residential Plot Prices at Al Jahra Governorate

Region	Building %	Area	Land Market Value (KD)		Market Value /M ² in (KD)		Average Price/M ² Q4 2014
			From	To	From	To	
Qaser – Club Street	210%	1000	500,000	600,000	500	600	550
Qaser (Existing Houses)	210%	600	260,000	320,000	433	533	483
Al Jahra – Mutlaa St. - Internal	210%	400	260,000	305,000	520	610	565
Oyouun – (GVT House) – Main Roads	210%	400	160,000	190,000	533	633	583
Na'eem – Plots – Internal Streets	210%	400	230,000	270,000	575	675	625
Na'eem – (GVT House) – Main Roads	210%	400	200,000	240,000	500	600	550
Oasis – Existing House	Up to 800 M ²	300	140,000	170,000	467	567	517
Al Naseem (GVT House) – Main Roads	210%	400	195,000	245,000	488	613	550

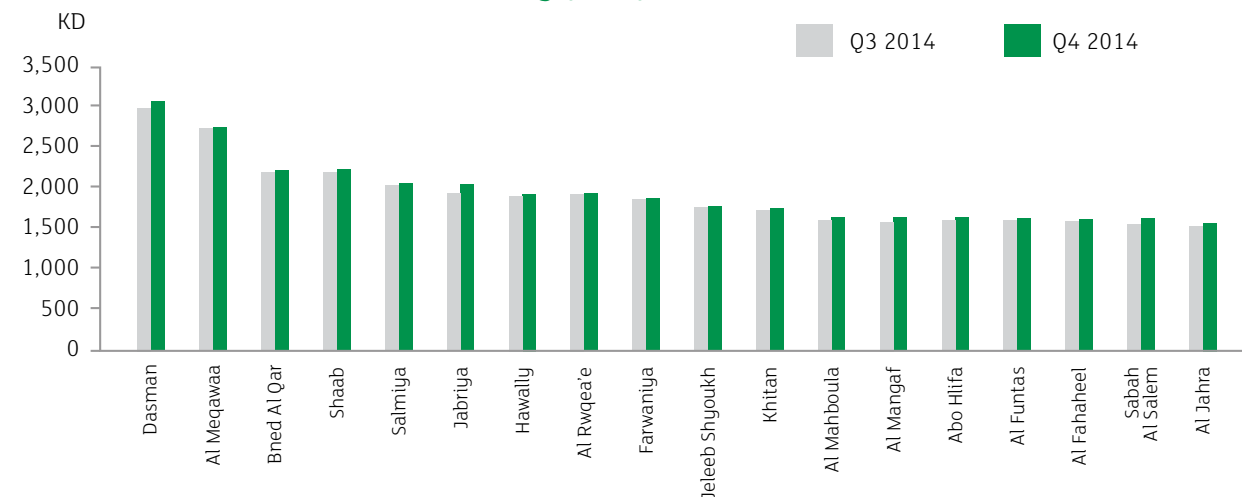
Second: Investment Land Prices

Average investment land prices recorded an increase in all Kuwait's governorates generally during Q4 compared to the increase recorded during Q3 2014. General average of all governorates recorded an increase by 1.5% during Q4 2014 compared to 2% recorded in Q3 2014.

The said increase may be attributed to the increase in average prices at all Kuwait governorates. Average price per meter increased in capital governorate by less than 1% during Q4 where price per meter reached KD 2,659 average.

Concerning investment land price levels in capital governorate areas, Dasman area has showed stability in prices compared to Q3 levels. Recorded prices were stable in East Maqwa area while a slight increase in prices was witnessed in Bneid Al Gar area by less than 1% compared to recorded average prices during Q3 2014.

Average Price per sqm for Investment Residence properties in Kuwait Governorates during Q3 & Q4 of 2014



Investment Land Prices at Capital Governorate

Region	Building %	Area	Site	Land Market Value (KD)		Market Value/ M ² (KD)		Average Price/M ² Q4 2014
				From	To	From	To	
Bneid Al Gar	250%	1,000	Gulf Rd	2,850,000	3,000,000	2,850	3,000	2,925
	250%	1,000	Istiqlal	2,000,000	2,200,000	2,000	2,200	2,100
	250%	500	Internal	1,000,000	1,050,000	2,000	2,100	2,050
	250%	500	Main	1,050,000	1,100,000	2,100	2,200	2,150
General Average in the Area				1,808,333	1,925,000	2,150	2,283	2,217
Eastern Maqwa	240%	250	Internal	500,000	550,000	2,000	2,200	2,100
	400%	500	Internal	1,300,000	1,450,000	2,600	2,900	2,750
General Average in the Area				1,575,000	1,712,500	2,638	2,875	2,756
Dasman	400%	1,000	Gulf Rd	3,300,000	3,450,000	3,300	3,450	3,375
	400%	1,000	Internal	2,500,000	2,750,000	2,500	2,750	2,625
	400%	750	Abdullah Al Ahmad	2,200,000	2,325,000	2,933	3,100	3,017
General Average in the Area				2,666,667	2,841,667	2,911	3,100	3,006

Average prices in Hawalli governorate recorded an increase by 1.8% during Q4 compared to Q3 2014. Average price per square meter reached KD 2,063 during Q4 compared to KD 2,027 during Q3 2014.

Al Shaab area is still considered as the highest price area in the governorate. The area witnessed a slight increase by 1% during Q4 2014. Al Salmiya area witnessed the lowest increase among governorate areas while Al Jabriya witnessed the highest increase approximating more than 5% compared to average price during Q3. Hawalli area witnessed a limited increase by less than 1% during Q4 2014.

Investment Land Prices at Hawalli Governorate

Region	Building %	Area	Street	Land Market Value (KD)		Market Value/ M ² (KD)		Average Price/ M ² Q4 2014
				From	To	From	To	
Hawalli	250%	750	Muthanna	1,400,000	1,500,000	1,867	2,000	1,933
	250%	750	Qutaiba	1,500,000	1,650,000	2,000	2,200	2,100
	250%	750	Hasan Al Basri	1,400,000	1,500,000	1,867	2,000	1,933
	250%	750	Ahmad Ibn Tulun	1,400,000	1,500,000	1,867	2,000	1,933
	250%	750	Yarmouk	1,350,000	1,450,000	1,800	1,933	1,867
	250%	750	Musa bin Nusair	1,325,000	1,475,000	1,767	1,967	1,867
General Average in the Area				1,416,667	1,541,167	1,847	2,009	1,928
Al Salmiya	250%	1,000	Gulf Rd	2,800,000	3,000,000	2,800	3,000	2,900
	250%	750	Baghdad (Tahrir)	1,500,000	1,612,500	2,000	2,150	2,075
	250%	750	A/ Karim Al Khattabi	1,500,000	1,612,500	2,000	2,150	2,075
	250%	750	Qatar	1,475,000	1,575,000	1,967	2,100	2,033
	250%	750	Abdullah bin Masoud	1,425,000	1,500,000	1,900	2,000	1,950
	250%	750	Youssef bin Hamoud	1,425,000	1,500,000	1,900	2,000	1,950
	250%	750	Hamad Al Mubarak	1,475,000	1,600,000	1,967	2,133	2,050
General Average in the Area				1,529,688	1,630,781	1,984	2,118	2,051
Al Shaab	250%	1000	Gulf Road	2,850,000	3,100,000	2,850	3,100	2,975
	250%	1000	Istiqlal	2,000,000	2,200,000	2,000	2,200	2,100
General Average in the Area				2,025,000	2,187,500	2,142	2,313	2,227
Al Jabriya	250%	1000	4 th Ring Road	2,150,000	2,250,000	2,150	2,250	2,200
	250%	1000	Maghreb	1,950,000	2,100,000	1,950	2,100	2,025
	250%	1000	Al Shanakel	2,000,000	2,150,000	2,000	2,150	2,075
General Average in the Area				1,921,429	2,035,714	1,988	2,107	2,048

Investment Land Prices at Al Farwaniya Governorate

Region	Building %	Area	Site	Land Market Value (KD)		Market Value/ M ² (KD)		Average Price/ M ² Q3 2014
				From	To	From	To	
Farwaniya	250%	750	Airport	1,480,000	1,600,000	1,973	2,133	2,053
	250%	750	6 th Ring Road	1,450,000	1,550,000	1,933	2,067	2,000
	250%	1,000	Main	1,700,000	1,800,000	1,700	1,800	1,750
	250%	1,000	Internal	1,520,000	1,750,000	1,520	1,750	1,635
General Average in the Area				1,333,333	1,441,667	1,804	1,942	1,873
Khaitan	250%	1,000	Airport	1,800,000	2,000,000	1,800	2,000	1,900
	250%	750	Main	1,330,000	1,400,000	1,773	1,867	1,820
	250%	1,000	Internal	1,500,000	1,700,000	1,500	1,700	1,600
General Average in the Area				1,356,000	1,500,000	1,655	1,823	1,739
Jaleeb Al Shuyoukh	250%	750	6 th Ring Road	1,325,000	1,400,000	1,767	1,867	1,817
	250%	750	Police Station St.	1,300,000	1,450,000	1,733	1,933	1,833
General Average in the Area				1,145,000	1,261,429	1,696	1,863	1,779
Al Riggae	250%	750	4 th Ring Road	1,450,000	1,550,000	1,933	2,067	2,000
	250%	750	5 th Ring Road	1,425,000	1,525,000	1,900	2,033	1,967
General Average in the Area				1,478,571	1,564,286	1,875	1,989	1,932

Al Farwaniya area witnessed a slight increase by less than 1% during Q4 compared to 1.8% increase in average price per meter during Q3 2014. Average price per meter reached KD 1,831 during Q4 2014.

Prices levels recorded in most of the governorate areas were stable. Prices were also stable in Al Riggae area which is considered as the highest average price area among governorate areas compared to 5.4 % increase recorded during Q3 2014. Price levels settled down in Al Farwaniya and Jaleeb Al Shuyoukh areas which had witnessed slight decline by less than 1% during Q3 2014. Khaitan area realized slight increase by less than 0.5 % during Q4 2014.

Prices in Al Ahmadi governorate witnessed an increase by 1.4% during Q4 compared to the significant increase by 7% recorded during Q3. Average price increased by KD 1,631 during Q4 2014

Al Mahboula area took the leading position among governorate areas price wise during Q4. Average price per meter witnessed an increase by 1.6% during Q4 2014. Al Mangaf area took the second position, recording an increase by 2.6 % in average meter price bearing in mind that it recorded the lowest increase (6%) during Q3. Average prices increased in Abu Halifa area by more than 1% during Q4 compared to the remarkable increase 7.5% realized during Q3.

Prices notched up by 1% in Al Fintas area which occupied the 4th position among governorate areas after recording the second highest average meter price during Q4. Prices increased in Fahaheel area by less than 0.5% compared to the highest increase by 8.2% witnessed during Q3 2014.

Investment Land Prices at Al Ahmadi Governorate

Region	Building %	Area	Site	Land Market Value (KD)		Market Value/M ² (KD)		Average Price/ M ² Q4 2014
				From	To	From	To	
Al Fintas	250%	500	Main	1,100,000	1,162,500	1,467	1,550	1,508
	250%	750	Fahaheel	1,162,500	1,240,000	1,550	1,653	1,602
	250%	1,000	Coast strip	2,000,000	2,200,000	2,000	2,200	2,100
General Average in the Area				1,189,000	1,280,500	1,551	1,674	1,613
Abu Halifa	250%	750	Internal	1,012,500	1,100,000	1,350	1,467	1,408
	250%	750	Main	1,100,000	1,162,500	1,467	1,550	1,508
General Average in the Area				1,208,125	1,315,625	1,564	1,704	1,634
Al Mangaf	250%	750	Internal	1,012,500	1,100,000	1,350	1,467	1,408
	250%	750	Internal Water Station St.	1,087,500	1,162,500	1,450	1,550	1,500
General Average in the Area				1,205,417	1,304,583	1,573	1,703	1,638
Al Mahboula	250%	500	Internal	720,000	800,000	1,440	1,600	1,520
	250%	750	Main	1,012,500	1,100,000	1,350	1,467	1,408
General Average in the Area				1,209,000	1,310,500	1,571	1,704	1,638
Al Fahaheel	250%	500	Internal	750,000	830,000	1,500	1,660	1,580
	250%	750	Main	1,162,500	1,237,500	1,550	1,650	1,600
	250%	1000	Makkah	1,700,000	1,800,000	1,700	1,800	1,750
	250%	750	Badaweya	1,200,000	1,275,000	1,600	1,700	1,650
General Average in the Area				1,110,417	1,187,917	1,558	1,672	1,615

Al Jahra governorate recorded a slight increase by 2.3 % during Q4 2014 compared to 1.7% increase during Q3 2014. Average price per meter reached KD 1,573 during Q4 compared to KD 1,538 during Q3 2014.

Investment land Prices at Al Jahra Governorate

Region	Building %	Area	Site	Land Market Value (KD)		Market Value/M ² (KD)		Average Price/ M ² Q4 2014
				From	To	From	To	
Al Jahra	250%	1,000	Internal	1,300,000	1,450,000	1,300	1,450	1,375
	250%	1,000	Main	1,500,000	1,650,000	1,500	1,650	1,575
	250%	800	Khuzami	1,325,000	1,400,000	1,656	1,750	1,703
	250%	500	Internal	735,000	800,000	1,470	1,600	1,535
	250%	500	Main	800,000	875,000	1,600	1,750	1,675
General Average in the Area				1,132,000	1,235,000	1,505	1,640	1,573

Mubarak Al-Kabeer governorate recorded the highest increase ratio among Kuwait governorates during Q4 2014 compared to Q3 price levels. Prices increased by 4.5% during Q4 compared to less than 1% increase during Q3. Meter price reached KD 1,628 during Q4 compared to KD 1,558 during Q3 2014.

Certain places in Sabah Al-Salem area recorded an increase while other areas remained stable. Prices recorded their highest increase by 15% in Fahaheel St. Areas, followed by plots in the 6th street which have recorded the second highest values. Second highest increase recorded reached 8% during Q4 214.

Prices in main and internal areas increased by 4.1% and 1.6% while other internal areas remained stable during Q4 2014.

Investment Land Prices at Mubarak Al-Kabeer Governorate

Region	Building %	Area	Site	Land Market Value (KD)		Market Value/M ² (KD)		Average Price/ M ² Q4 2014
				From	To	From	To	
Sabah Al Salem	250%	750	Internal	1,125,000	1,200,000	1,500	1,600	1,550
	250%	750	Main	1,200,000	1,312,500	1,600	1,750	1,675
	250%	1,000	Internal	1,400,000	1,650,000	1,400	1,600	1,500
	250%	1,000	Main	1,550,000	1,700,000	1,550	1,700	1,625
	250%	1,000	Fahaheel	1,900,000	2,100,000	1,900	2,100	2,000
General Average in the Area				1,364,286	1,490,357	1,557	1,699	1,628

Annual Rate of Return on Investment Properties

Demand on investment properties is dependent on realized rates of return which have increased relatively. Governorates recorded increases ranging 6.36% - 7.20% during Q4 2014. Capital governorate areas recorded rates of return ranging 6.25% - 6.63% while average returns on investment properties recorded 6.59% in Hawalli governorate areas. Rates of Return on investment properties in governorate areas ranged 6% - 6.75% during Q4 2014.

Income generating returns in Al Farwaniya governorate approximated 7.05%. Returns were stable in Al Ahmadi governorate areas as they ranged 6.6% - 7.25%. However, income generating returns declined in Mubarak Al-Kabeer governorate, thus recording 7.15% where returns recorded by governorate areas ranged 7.00% - 7.38%. In regard to Al Jahra governorate, returns ranged 7% - 7.25% during Q4 2014.

Investment properties are still considered competitive and stable when compared to rates of return on bank deposits or fluctuating returns realized by Kuwait Stock Exchange.

Annual Rate of Return (ARR) on Investment Properties at Certain Areas in Kuwait

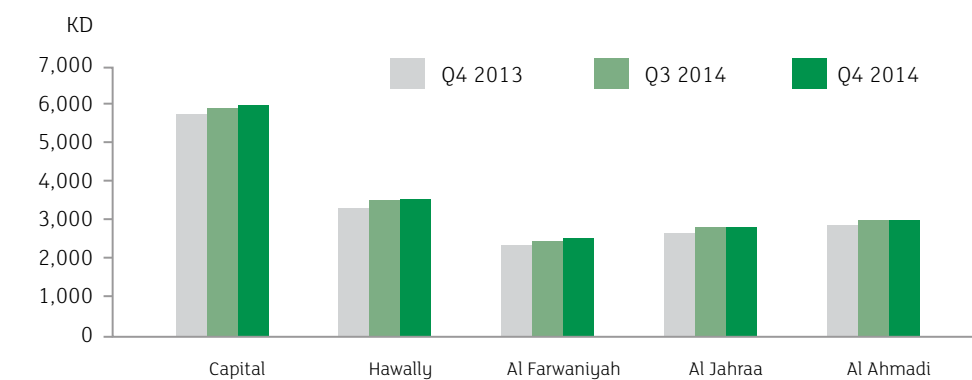
Governorate	Region	Building %	Area	Site	Sale Return/Annual Real Estate Income % Q4 2014		
					From	To	Average
Capital	Bneid Al Gar	250%	1,000	Gulf Rd	6.00%	6.50%	6.25 %
	Bneid Al Gar	250%	1,000	Istiqlal	6.25%	7.00%	6.63%
	Eastern Maqwa	400%	250	Internal	6.50%	7.00%	6.75%
	Dasman	400%	1,000	Gulf Rd	6.25%	7.00%	6.50%
Hawalli	Hawalli	250%	750	Muthanna	6.50%	7.00%	6.75%
	Hawalli	250%	1,000	Al Hasan Al Basri	6.50%	7.00%	6.75%
	Salmiya	250%	1,000	Gulf Rd	6.00%	6.00%	6.00%
	Salmiya	250%	1,000	Baghdad	6.25%	6.50%	6.38%
	Shaab	250%	1,000	Gulf Rd	6.00%	6.50%	6.25%
	Shaab	250%	1,000	Istiqlal	6.25%	7.00%	6.63%
Al Farwaniya	Farwaniya	250%	1,000	Airport	7.00%	7.00%	7.00%
	Farwaniya	250%	1,000	Airport (Main)	7.00%	7.00%	7.00%
	Khaitan	250%	750	Internal	7.00%	7.50%	7.25%
	Riggae	250%	750	4 th Ring Road	6.75%	7.00%	6.88%
	Riggae	250%	750	5 th Ring Road	6.75%	7.00%	6.88%
Al Ahmadi	Fintas	250%	500	Internal	6.75%	7.25%	7.00%
	Abu-Halifa	250%	500	Internal	6.75%	7.25%	7.00%
	Abu-Halifa	250%	750	Internal	7.00%	7.50%	7.25%
	Mangaf	250%	500	Internal	7.00%	7.25%	7.13%
	Mahboula	250%	500	Internal	7.00%	7.50%	7.25%
	Mahboula	250%	750	Internal	7.00%	7.50%	7.25%
	Mahboula	250%	750	Main	7.00%	7.50%	7.25%
	Fahaheel	250%	500	Internal	7.00%	7.50%	7.25%
Al Jahra	Jahra	250%	1000	Internal	7.00%	7.50%	7.25%
	Jahra	250%	1000	Main	7.00%	7.50%	7.25%
Mubarak Al-Kabeer	Sabah Al Salem	250%	750	Internal	7.00%	7.25%	7.13%
	Sabah Al Salem	250%	750	Main	7.00%	7.00%	7.00%

Third: Commercial Property Prices

Average commercial property prices at Kuwait governorates level recorded an increase by 0.8% compared to 0.6% during Q3 as it increased once again respectively at less than 1%. Average prices at capital governorate level (administrative) increased by 1% namely in the main area of Kuwait city where average price per square meter stood at KD 6.015 during Q4 2014.

The above stability comes as a result of the stable prices witnessed in most of the commercial property areas in the governorate e.g. downtown, Qibla and Sharq areas compared to Q3.

Average price per square meter of Commercial Properties across Kuwaiti Governorates during Q3 & Q4 of 2014



Commercial Land Prices at Capital Governorate

Region	Building %	Street	Area	Land Market Value (KD)		Market Value/M ² (KD)		Average Price/M ² Q4 2014
				From	To	From	To	
Qibla	300%	Mubarakiya	500	2,375,000	3,000,000	4,750	6,000	5,375
Sharq	520%	Ahmad Al Jaber	500	3,250,000	3,500,000	6,500	7,000	6,750
Downtown	620%	Mubarak Al-Kabeer Textile Blocks	500	2,975,000	3,250,000	5,950	6,500	6,225
	620%	Mubarak Al-Kabeer (Stock Exchange)	500	3,750,000	4,000,000	7,500	8,000	7,750
Qibla	620%	Fahd Al Salem	500	3,450,000	3,625,000	6,900	7,250	7,075
Sharq	520%	Jaber Al Mubarak	500	2,950,000	3,050,000	5,900	6,100	6,000

Average prices in Hawalli governorate recorded a slight increase by less than 1% i.e. (0.7%) during Q4 compared to Q3 which recorded a lower average. Price per square meter reached KD 3,564 during Q4 2014 compared to KD 3,539 recorded during Q3.

Salmiya area – Salem Al-Mubarak St. recorded the highest price at the governorate level and witnessed stability in commercial property prices during Q4 2014. Hawalli area – Tunis St. and Beirut St. recorded the second highest average price per square meter at the governorate level. Prices in Othman St. and Ibn Khaldoun St. were stable as well. Hamad Al Mubarak St. in Salmiya area witnessed a significant increase in prices i.e. 5.5% during Q4 2-14 while prices remained stable in other Salmiya areas e.g. Bahrain St.

Commercial Land Prices at Hawalli Governorate

Region	Building %	Street	Area	Market Value of Land (KD)		Market Value per M ² in (KD)		Average Price per M ² in Q3 2014
				From	To	From	To	
Hawalli	180%	Tunis	1,000	3,800,000	4,250,000	3,800	4,250	4,025
	180%	Beirut	1,000	3,750,000	4,100,000	3,750	4,100	3,925
Al Salmiya	180%	Salem Al Mubarak	800	3,040,000	3,600,000	3,800	4,500	4,150
	180%	Bahrain	500	1,425,000	1,550,000	2,850	3,100	2,975

Average price per square meter in Al Farwaniya governorate reached KD 2,543, thus recording the highest increase by 1.5% during Q4 2014. Certain governorate areas witnessed an increase ranging 1.9% - 3.1% while prices remained stable in other governorate areas. Average meter price increased in the highest price areas in the governorate namely Munawer St., thus recording an increase by 2.6% and 3.1%. Prices recorded an increase by 3% in the Fire brigade St., while Khaitan area witnessed stability in prices at the area opposite the commercial and administrative center.

The area facing cooperative society at Jaleeb Al-Shuyoukh area recorded an increase by 1.9% while rear plots recorded an increase by 2.3%. Dhajeej area witnessed stability in prices during Q4 2014. South Khaitan and Ardia stores area did not witness any changes in their status during Q4 2014.

Commercial Land Prices at Al Farwaniya Governorate

Region	Building %	Street	Area	Land Market Value (KD)		Market Value/M ² (KD)		Average Price/M ² Q4 2014
				From	To	From	To	
Farwaniya Munawer St.	180%	Menawer	1,000	5,000,000	5,500,000	5,000	5,500	5,250
Farwaniya Fire Brigade St.	180%	Fire Brigade St.	800	3,600,000	3,840,000	4,500	4,800	4,650
Khaitan	180%	Opposite the Admin. & Commercial Building	1,000	4,000,000	4,300,000	4,000	4,300	4,150
Khaitan (Admin & Commercial)	300%	(Admin & Commercial)	1,000	3,900,000	4,100,000	3,900	4,100	4,000
Jaleeb Al Shuyoukh (Opposite Society)	180%	Coop Society St.	1,000	2,500,000	2,800,000	2,500	2,800	2,650
Jaleeb Al Shuyoukh (Background)	180%	Internal	1,000	2,150,000	2,350,000	2,150	2,350	2,250
Al Dhajeej (5000 M) on the 6 th R. R.	210%	6 th Ring Road	5,000	6,650,000	7,000,000	1,330	1,400	1,365
Al Dhajeej (5000 M) Internal		Internal	5,000	5,250,000	6,000,000	1,050	1,200	1,125
Al Dhajeej – South Khaitan	250%	6 th Ring Road	5,000	2,900,000	3,000,000	580	600	590

Average commercial property prices increased relatively at Al Jahra governorate to reach KD 2,865 / m², thus increasing by less than 1% compared to KD 2,855 during Q3. Prices in most governorate areas remained stable except Marzouk Al Met'eb St. which has witnessed an increase by 1.6% compared to Q3.

The commercial and administrative center at Al Jahra area retained its position as the highest price area in the governorate, thus recording 6.4% during Q3. Al Qaisariyat area prices remained stable as it is the case with other governorate areas which had declined by 3.6%. Some other areas maintained stability in prices following a decline by 14.6% during Q3 2014.

Commercial Land Prices at Al Jahra Governorate

Region	Building %	Street	Area	Land Market Value (KD)		Market Value/ M ² (KD)		Average Price/M ² Q4 2014
				From	To	From	To	
Jahra	180%	Marzouk Al-Met'eb	1,000	3,000,000	3,250,000	3,000	3,250	3,125
Jahra Admin. & Comm. Center	300%	Admin. & Commercial	875	3,325,000	3,500,000	3,800	4,000	3,900
Al Jahra	50%	Plot 41 A	1,000	2,300,000	2,500,000	2,300	2,500	2,400

Average price per square meter of commercial properties at Al Ahmadi governorate reached KD 3,053 during Q4 2014, thus marking a slight increase compared to 2.7% or KD 3,050 / M² during Q3.

Prices were stable in Mangaf area compared to Q3 prices. Prices were also stable in certain main areas at Fintas area – commercial and administrative center which have witnessed a significant increase by 5.1%. Internal plots in the area were also stable following the remarkable increase which they have witnessed 9.4% during Q3 2014.

Prices increased in certain internal areas at Fahaheel – Dabbous street by less than 1%. Price levels were stable in higher value areas at the coastal strip. Prices were also stable in internal areas at Khairan Pearl area which is the lowest average price/M² in the area compared to the considerable decline by 8.2% during Q3. Prices in other remaining areas were stable during Q4 2014.

Commercial Land Prices at Al Ahmadi Governorate

Region	Building %	Street	Area	Land Market Value (KD)		Market Value/M ² (KD)		Average Price/M ² Q4 2014
				From	To	From	To	
Mangaf	300%	Aziziya	750	1,500,000	1,687,500	2,000	2,250	2,125
Fintas Admin. & Comm.	180%	Main	1,000	3,500,000	3,700,000	3,500	3,700	3,600
	180%	Internal	1,000	3,450,000	3,500,000	3,450	3,500	3,475
Fahaheel	180%	Dabbous	750	2,775,000	3,000,000	3,700	4,000	3,850
	180%	Internal	750	2,362,500	2,550,000	3,150	3,400	3,275
	180%	Coast Road	750	3,262,500	3,412,500	4,350	4,550	4,450

Commercial Properties' Annual Rate of Return (ARR)

Rates of Return on commercial properties are still far less than income generating returns on investment properties in certain governorates. This may be attributed to the decrease in occupancy rates of offices sector, namely in capital area. Average return at capital governorate level stabilized during Q4 2014 at 6.25% while annual return stabilized at 7.2% at Hawalli governorate, 7.6% at Al Farwaniya governorate, 7.53% at Al Jahra governorate and 7.39% at Al Ahmadi Governorate.

Investment Properties Annual Rate of Return (ARR) at Certain Areas in Kuwait

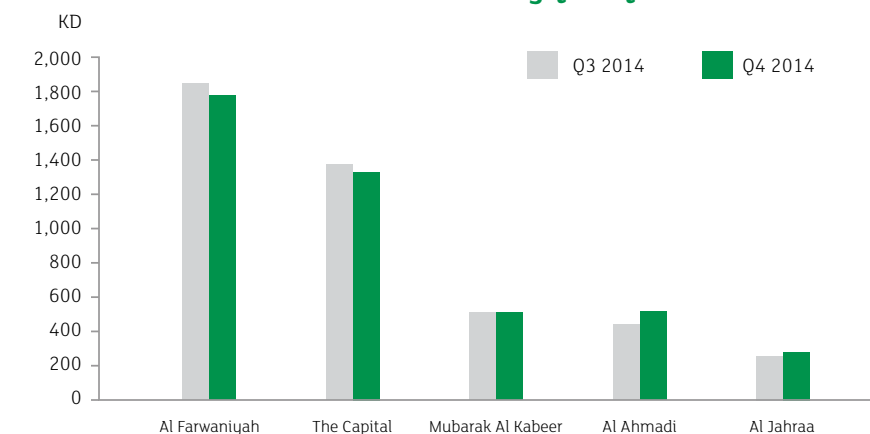
Governorate	Region	Building %	Street	Sale Return/ Annual Real Estate Income % Q4 2014		
				from	To	Average
Capital	Qibla	300%	Mubarakiya	6.00%	6.50%	6.25%
	Sharq	520%	Ahmad Al Jaber	6.00%	6.50%	6.25%
	Sharq	520%	Khalid Ibn Al Waleed	6.00%	6.50%	6.25%
	City	620%	Al Soor	6.00%	6.50%	6.25%
	City	300%	Al Soor	6.00%	6.50%	6.25%
	City	620%	Mubarak Al-Kabeer Blocks	6.00%	6.50%	6.25%
Hawalli	Hawalli	180%	Tunis	7.00%	7.50%	7.25%
	Hawalli	180%	Beirut	7.00%	7.50%	7.25%
	Salmiya	180%	Hamad Al Mubarak	7.00%	7.50%	7.25%
	Salmiya	180%	Salem Al Mubarak	7.00%	7.00%	7.00%
Al Farwaniya	Farwaniya Munawer St.	180%	Menawer	7.00%	7.50%	7.25%
	Farwaniya Fire Brigade St.	180%	Fire Brigade	7.00%	7.50%	7.25%
	Khaitan	180%	---	7.00%	7.50%	7.25%
	Khaitan (Admin. & Commercial)	300%	(Administrative & Commercial)	7.00%	7.50%	7.25%
	Ardiya "Warehouses"	GF 80% Mezzanine 50%	Internal	7.50%	8.00%	7.75%
Al Jahra	Jahra	180%	Marzouk Al-Met'eb	7.50%	7.50%	7.50%
	Jahra (Admin. & Commercial)	300%	(Admin. & Commercial)	7.50%	7.50%	7.50%
	Jahra - Qaisariyat	300%	Plot 20	7.50%	7.50%	7.50%
	Mangaf	300%	Aziziya	7.50%	7.50%	7.50%
Al Ahmadi	Fintas (Admin. & Commercial)	180%	Main	7.50%	7.50%	7.50%
	Fahaheel	180%	Dabous	7.00%	7.50%	7.25%

Fourth: Prices of Industrial Plots (Public Welfare Contracts) and Warehouses

Industrial plot prices have recovered relatively at Kuwait governorates level during Q4 2014 compared to the significant decline which they have witnessed during Q3 by 2.5%. Certain governorates witnessed a remarkable increase in price levels. Other governorates recorded a limited decline in prices while Al Ahmadi governorate recorded remarkable increase in prices. Industrial plots prices in capital governorate declined by 3% to reach KD 1,333/ m2 during Q4 2014.

Industrial plots price levels at the governorate – namely highest price areas in Electricity St. recorded an increase by 4.3% and declined in the second highest price area at Decoration St. by 1.5%. Prices have also declined in Canada Dry St. by 3% while decline ratio in other places reached the average price/ M2 at Decoration St. i.e. 5% - 1.5%. Prices in Shahrazad St. remained stable. Price levels at internal places and Pepsi St. in the area remained stable during Q4 2014. Areas overlooking 4th ring road have recorded a significant decline by 12.9% while the decline in Ghazalli St. reached 13%. Mohammed Al-Qasem St. area witnessed a decline by 2.1% during Q4 2014.

Average market value per square meter for the Industrial and Professional property in Kuwait Governorates during Q3 & Q4 of 2014



Industrial Plot Prices at Capital Governorate

Region	Allocation	Building %	Area	Street	Land Market Value (KD)	Average Price/M ² Q4 2014
Industrial Shuwaikh	Showrooms + Industrial	170%	1,000	Canadadry St.	1,550,000	1,550
		170%	5,000	Canadadry St.	6,000,000	1,225
		170%	1,000	Shahrazad St.	1,200,000	1,225
		170%	1,000	Decoration St.	1,300,000	1,375
		170%	500	Decoration St.	800,000	1,675
		170%	500	Electricity St.	875,000	1,825
		170%	5,000	Pepsi St.	5,000,000	1,025
		170%	1,000	4 th Ring Road	1,300,000	1,350
		170%	1,000	Mohammad Al Qasim	1,100,000	1,175
		170%	22,500	Internal	12,550,000	601
		170%	1,000	Al Ghazali St.	900,000	1,000
		General Average in the Area				

Al-Farwaniya governorate witnessed a decrease during Q4 where average price per square meter reached KD 1,789 at governorate level.

Ardiya – handcraft area is still recording the highest price level among various industrial areas in Kuwait during Q4 2014. Average price per square meter declined in Ardiya industrial area by 1.5% compared to Q3. Price decline in certain internal handcraft areas reached 6.5% while prices remained stable in places opposite Ardiya warehouses and 5th ring road areas which are considered as the highest industrial area prices among Kuwait areas. Prices have also stabilized in places located opposite Ardiya residential area during Q4 2014.

Al-Rai area recorded a decline by 7% due to the decline in average price/M2 in the area except the main internal area (car showrooms) which have witnessed stability in prices. Decline exceeded 7% in 4th ring road areas. Prices in areas from Safat Al-Ghanem till Al-Nasr showroom have also declined by 4.9% while decline approximated 11% in Mohammed Al-Qasem St. and 10% in certain places in Ghazalli St.

Industrial Plot Prices at Al Farwaniya Governorate

Region	Allocation	Building %	Area	Site	Street	Land Market Value (KD)		Average Price/ M ² Q4 2014
						From	To	
Al Rai	Showrooms + Industrial	170%	1,000	Main	Safat Al Ghanim (till Al Nasr Sports)	1,200,000	1,250,000	1,225
		170%	1,000	Main	Ghazali St.	1,000,000	1,200,000	1,100
		170%	4,000	Main	Mohammad Al Qasim	4,800,000	5,200,000	1,250
General Average in the Area						2,345,000	2,550,000	1,098
Ardiya Craft Area	Crafts	20% Mezzanine	250	Main	Opposite Ardiya Stores	625,000	700,000	2,650
		80% GF	250	Main	Opposite Ardiya Residential	560,000	625,000	2,370
General Average in the Area						583,750	656,250	2,480

Ahmadi governorate witnessed an increase by 20%. Average price per square meter reached KD 512 during Q4 2014 compared to the significant decline by 21% witnessed during Q3, thus recording KD427 / M2.

Fahaheel area is still considered as the highest price area in the governorate. Average price per square meter reached KD 867 during Q4, thus marking an increase by more than 26% compared to Q3. East Ahmadi industrial area, second highest average price area, witnessed a remarkable increase by 14.2% during Q4. Certain places at Mustafa Karam St. recorded an increase by 42% while average prices remained stable in other places in the area. Average price/M2 increased in Shuaiba and Mina Abdulla areas by 7.5% during Q4 2014. Average prices stabilized in Jawharat Al-Fanar area and increased by 9% in main areas. Increase in prices approximated 45% in internal places at Shuaiba area.

Industrial Plot Prices in Al Ahmadi Governorate

Region	Allocation	Area	Street	Land Market Value (KD)		Average Price/ M ² Q4 2014
West Shuaiba	Industrial	120,000	Behind Gas Station	10,800,000	13,000,000	99.2
West Shuaiba		10,000	Internal	1,700,000	1,850,000	177.5
Mina Abdullah		10,000	Inside Port	950,000	1,150,000	105
General Average in the Area				3,321,250	3,850,000	132
Fahaheel	Exhibitions + Industrial %Construction = 170%	1,000	Sultan Center St.	1,200,000	1,350,000	1,275
		1,000	Opposite Fire Brigade	700,000	800,000	750
		1,000	Internal Streets	500,000	650,000	575
General Average in the Area				800,000	933,333	867
East Ahmadi Industrial Area	showrooms + Industrial Construction% : 170%	5,000	Mustafa Karam	4,000,000	5,000,000	900
		5,000	Main	2,050,000	2,300,000	435
General Average in the Area				2,050,000	2,445,000	538

Prices of Industrial Plots in the Mubarak Al-Kabeer Governorate

Region	Allocation	Area	Street	Land Market Value (KD)		Average Price/ M ² Q4 2014
Abu Fatira Crafts	Showrooms	1,000	Main	1,650,000	1,750,000	1,700
		500	Main	600,000	650,000	1,250
General Average in the Area				1,150,000	1,240,000	1,435
Sabhan	Industrial	1,000	Main	500,000	600,000	550
		1,000	Pepsi	650,000	750,000	700
		5,000	Pepsi	2,750,000	3,000,000	575
General Average in the Area				1,341,667	1,516,667	512.5

Prices of Industrial Plots in the Al Jahra Governorate

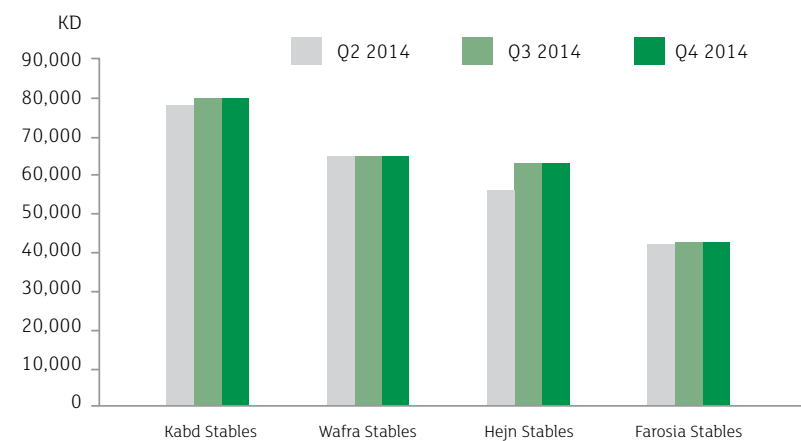
Region	Allocation	Area	Street	Land Market Value (KD)		Average Price/M ² Q4 2014
Amghara	Large Contractors	10,000	Internal	1,500,000	1,700,000	160
		10,000	Main	1,850,000	2,050,000	195
General Average in the Area				777,500	855,000	177
Al Jahra	Crafts	500	Internal	200,000	225,000	350
		500	Main	250,000	275,000	525
General Average in the Area				218,750	251,250	533
Doha	Ships Repair	1,000	Main	120,000	170,000	145
General Average in the Area				1,890,000	2,206,667	78

Fifth: The Prices of Farms and Livestock Farms

Average price per M2 in livestock farms at Ahmadi governorate witnessed stability during Q4, thus recording KD 79.4 per m2. Camel farms area at the governorate witnessed stability during Q4 2014 compared to an increase by 11% during Q3.

Prices settled down in Equestrian Stables during Q4 2014 for the third time respectively. Prices have also stabilized in the racecourse area, golf field and internal areas. Prices were stable during Q4 2014 in main and internal places at Wafra Livestock farms.

Average market value per square meter for Cattle Farms and Stables in Al Ahmadi Governorate during Q2 & Q4 of 2014



Likewise, average estimated price per square meter at Wafra agricultural area witnessed stability during Q4. Prices were also stable in certain places during Q4 compared to Q3. Price levels were also stable in Sulaibiya area – Livestock farms (usufruct) as they ranged between KD 550 thousand – KD 650 thousand for a land area covering 50 thousand m2. The value of another 1 million m2 land ranged between KD 3.65 million – KD 4.35 million.

Price levels per square meter for a 100 thousand m2 land were stable in Abdali area as they recorded KD 300 thousand – KD 375 thousand.

Prices of Farms and Livestock Farms

Governorate	Region	Area	Site	Estimated Plot Usufruct Price (KD)		Price / M ² (KD)		** A/P Q4 2014
				from	To	From	To	
Ahmadi	Kabd Farms	2,500	Internal	72,000	90,000	28.8	36.0	81,000
	Kabd Farms	2,500	Main	100,000	115,000	40.0	46.0	107,500
	Equestrian Stables – Ahmadi	500	Internal	38,000	45,000	76.0	90.0	41,500
			Racecourse – Golf	45,500	50,000	91.0	100.0	47,750
Al Wafra Farms	2,500	Main	65,000	77,500	26.0	31.0	71,250	

** A/P = Average Plot Price

Sixth: Chalet Prices

Demand on chalets increases significantly during summer. As the 4th yearly quarter has fallen in winter this real estate category has witnessed significant decline in prices. Prices were stable in Ahmadi governorate as they recorded KD 18,714, thus marking an increase by 6.6% during Q3 2014. Price levels were stable in capital governorate during Q3.

Average chalet prices were also stable in Jahra governorate, in both Sabbiya and Kazma areas where they recorded KD 4,979 during Q3 2014.

Chalet Prices at Al Ahmadi Governorate

Governorate	Region	Waterfront Length in Meters	Chalet Market Value		Price/Linear Meter - Waterfront (KD)		** A/P/m2 Waterfront Q4 2014
			From	To	From	To	
Al Ahmadi	Mina Abdullah	15	255,000	270,000	17,000	18,000	17,500
	Dubaeya	15	255,000	270,000	17,000	18,000	17,500
	Julaia	15	315,000	345,000	21,000	23,000	22,000
	Bnaider	15	375,000	435,000	25,000	29,000	27,000
	Al Zour	15	225,000	240,000	15,000	16,000	15,500
	Khairan (other than Al Khor)	15	240,000	255,000	16,000	17,000	16,500
	Nuwiseeb	15	210,000	240,000	14,000	16,000	15,000

** A/P = Average Plot Price

Seventh: Occupancy Rates and Rentals

Occupancy rates maintained former levels for all types of investment properties ranging between 90 – 96%. Occupancy rates improved in commercial properties especially in offices located at capital area.

Private Residence Rental Value

Average rental value for a ground floor, 3 bed rooms, a hall, covering an area of 135 m² in a private residence real estate with a total area 400 m during Q4 2014 at Hawalli governorate ranged between KD 541 – 618. Rental value reached KD 622 at capital governorate. Average rental value at Farwaniya reached KD 438. Average rental value for a full floor in a private residence covering an area of 400 meters ranges between KD 1100 – 1400 at Hawalli governorate compared to KD 1300 – 1600 at most of capital governorate areas and KD 1000 – 1100 at Farwaniya

Average rental value for a full first and second floor at a private residence covering an area 400 meter ranges between KD 1000 – 1200 at most of Hawalli governorate areas and KD 1100 – 1450 at capital governorate areas. Full floor at Farwaniya governorate ranged between KD 850 – 969.

Average rental value of a full house comprising ground floor and first floor of a private residence at Hawalli governorate ranged between KD1900 – 2300. The value reached in certain areas KD 2500. Average value in capital governorate reached KD 1650 while it ranged in certain governorate areas between KD 2200 – 2500. The value reached more than KD 2800 in certain places of Adiliya area – capital governorate. Rental value of a full house ranged between KD 1700 – KD 1850 in Farwaniya governorate.

Investment Residence Rental Value

Average rental value of a 2 bed room flat and a hall covering an area of 60 m in capital governorate ranged between KD 330 – 350. Rental value for the same area in Hawalli governorate ranged between KD 310 – 350. Rental value for the same area ranged between KD 280 – 330 in Al Farwaniya Governorate and KD 260 – 290 in Al Ahmadi governorate. Rental values recorded KD 285 – 300 at Mubarak Al-Kabeer governorate and KD 260-280 at Al Jahra governorate. Rental value of a 2 bed room flats + a hall coving an area of 70 – 74 m ranged between KD390 – 415 at capital governorate and KD 320 – 370 in Hawalli governorate areas. Rental value ranged between 320 – 350 in Al Farwaniya governorate, KD 300 – 340 in Al Ahmadi governorate, KD 325 – 350 at Mubarak Al-Kabeer governorate and KD 290 – 330 at Al Jahra governorate.

Rental value for investment apartments covering an area of 80 – 85 m² ranged between KD 435 – 465 at capital governorate and ranged between KD 365 – 450 at Hawalli governorate areas. Rental value ranged between KD 350 – 390 at Al Farwaniya governorate areas and ranged between KD 330 – 360 at Al Ahmadi governorate. Rental value approximated KD 330 and KD 360 at Mubarak Al-Kabeer governorate and Al Jahra governorate respectively.

Rental value for flat coving an area of 100 – 110 m² ranged between KD 500 – 580 in Capital governorate areas, KD 485 – 550 for Hawalli governorate areas, KD 480 for Al Farwaniya governorate while the value ranged between KD 425 – 450 for Al Ahmadi governorate. Rental value increased slightly in Mubarak Al-Kabeer area ranging between KD 450 – 480 and reached to KD 430 – 460 at Al Jahra governorate.

Prices differ according to different areas, design type, finishing and location. The property age is considered as basic factor in determining average rental value of the property in Kuwait. We shall focus in this report on new property prices which are increasing rapidly, thus putting more pressure on the rental values of old properties available in the market. When old properties are vacant the land lord will eventually increase rent for the new tenant.

Average property trading is considered a significant factor for assessment of rental value. There are distinguished areas, e.g. Shaab, Mirgab, Bneid Al Gar, Sharq and other places inside those distinguished areas e.g. Qatar and Bahrain Streets at Salmiya, real estate buildings overlooking the coast and Qutaiba and Al Muthanna at Hawalli. Also, there are less significant areas e.g. Jaleeb Al Shuyoukh, Abu Halifa and Khaitan.

Real estate furnishing is a phenomenon which has spread recently especially for highly distinguished properties. Accordingly, rental value for such properties is determined based on different levels. It is surprisingly noticed recently that rental activities have increased tremendously in internal areas where Kuwaiti citizens live i.e. Salwa, Surra, South Surra and other areas. This may be attributed to the high increase in property prices and the wish to improve loan settlement ability.

Average rent of a commercial meter in a ground floor has increased where average rent ranged KD 16 – KD 20 / m² in prime locations in Kuwait city while it reached KD 40 in Salmiya and KD 35 in Hawalli. Average rent/m² at offices ranges KD 5.5 – KD 6.5 and reaches KD 8 in certain prime areas and grand yards in Kuwait city. Also it has reached KD 8 /m² in certain areas in Hawalli, Fahaheel and Mangaf and more than that, depending on location, finishing type and services provided to tenants and visitors.

Average rental price for industrial plots rental values per industrial square meter for a ground floor – showrooms ranged between KD 14 – 40 at Shuwaikh industrial area. Prices differ according to different locations. Al Rai area buildings came second. Average rental value per square meter ranged between KD 14 – 30. Average rental price per meter at Ardiya area (warehouses) ranged between KD 6.5 – 8. This value was much higher in Ardiya (crafts) area where average price per square meter ranged between KD 20 – 30. Average price per square meter at East Ahmadi ranged between KD 12 – 18. Prices at Fahaheel industrial area ranged between KD 14 – 20 per square meter.

**Average Rental Value Trading
Investment Properties in Kuwait Governorates During Q4/2014 (KD)**

Hawalli Governorate	2 Bedrooms, a Hall & Bathroom (60)m	2 Bedrooms, a Hall & 2 Bathrooms (70 - 74)m	2 Bedrooms, 2 Bathrooms (80 - 85)m	3 Bedrooms, a Hall & maid (100 – 110)m
Salmiya	310-340	350-370	380-425	480-500
Hawalli	300-320	323-345	365-410	450-485
Jabriya	320-350	335-355	380-425	480-500
Shaab	320-350	350-360	425-450	500-550
Capital Governorate	2 Bedrooms, a Hall & Bathroom (60)m	2 Bedrooms, a Hall & 2 Bathrooms (70 - 74)m	2 Bedrooms, 2 Bathrooms (80 - 85)m	3 Bedrooms, a Hall & maid (100 – 110)m
Sharq	330-350	390-415	435-465	510-585
Qibla	330-350	390-415	435-465	510-570
Eastern Muqawa	330-350	390-415	435-465	510-570
Dasman	330-350	390-415	435-465	510-570
Bneid Al Gar	050-333	390-415	425-450	500-580
Al Farwaniya Governorate	2 Bedrooms, a Hall & Bathroom (60)m	2 Bedrooms, a Hall & 2 Bathrooms (70 - 74)m	2 Bedrooms, 2 Bathrooms (80 - 85)m	3 Bedrooms, a Hall & maid (100 – 110)m
Khaitan	330-300	330-350	350-390	430-475
Farwaniya	330-300	330-350	350-390	430-480
Jaleeb Al Shuyoukh	280-300	330-350	330-370	420-460
Riggae	280-300	320-340	360-380	430-475
Ahmadi Governorate	2 Bedrooms, a Hall & Bathroom (60)m	2 Bedrooms, a Hall & 2 Bathrooms (70 - 74)m	2 Bedrooms, 2 Bathrooms (80 - 85)m	3 Bedrooms, a Hall & maid (100 – 110)m
Fintas	260-290	300-340	330-360	425-450
Mahboula	260-290	300-340	330-360	425-450
Abu Halifa	260-290	300-340	330-360	425-450
Mangaf	260-290	300-340	330-360	425-450
Fahaheel	260-290	300-340	330-360	425-450
Mubarak Al-Kabeer Governorate	2 Bedrooms, a Hall & Bathroom (60)m	2 Bedrooms, a Hall & 2 Bathrooms (70 - 74)m	2 Bedrooms, 2 Bathrooms (80 - 85)m	3 Bedrooms, a Hall & maid (100 – 110)m
Sabah Al Salem	310-290	325-350	350-380	450-480
Al Jahra Governorate	2 Bedrooms, a Hall & Bathroom (60)m	2 Bedrooms, a Hall & 2 Bathrooms (70 - 74)m	2 Bedrooms, 2 Bathrooms (80 - 85)m	3 Bedrooms, a Hall & maid (100 – 110)m
Al Jahra	260-280	290-330	330-360	430-460

Average Rental Value Trading of Commercial Properties at Kuwait Governorates “Q4/2014” (KD)

Areas	Basement	Ground Floor	Mezzanine	Offices	Price Index
	Average Rental M ²	Average Rental M ²	Average Rental M ²	Average Rental M ²	
Salmiya	12 – 18	25 – 40	12	7 - 8	---
Hawalli	10 – 16	25 – 35	12	7 - 8	---
Farwaniya	14-18	30-45	12-14	8 - 9	---
Khaitan	10-16	25 – 35	10	7	---
Mangaf – Aziziyah	8 – 12	18-20	10	7 - 8	---
Fahaheel	10 – 16	25 – 35	12	7 - 8	---
Dhajeej	4.5 – 5	9 – 12	5 - 6	---	Basements as a Commercial Unit a Store
Kuwait City	12 - 14	20 – 30	10	6 - 8	Commercial Complexes
Kuwait City	-	30-35	-	5.5 – 6.5	Administrative & Commercial Towers

Average rental values per square meter increase in prime locations and modern buildings. Activity type is also considered.

Average Rental Value Trading of Industrial Plots at Kuwait Governorates During Q4/2014 (KD)

Areas	Basement	Ground Floor	Mezzanine	Price Index	Notes
	Average Rental M ² (Stores)	Average Rental M ² (Showrooms)	Average Rental M ² (Offices)		
Industrial Shuwaikh	3.5 – 4.5	14 – 40	4 – 5	Unit Area = 40 m	---
Al Rai	3.5 – 4	14 – 30	3 – 4	Excluding rental values in Avenues Mall	---
Sabhan	2.75 – 3	4 – 6.5	3	* Upon allocating stores for the GF, Price/M ² ranges KD 4 - KD 5	---
Ardiya (Stores)	4 – 3.5 (As per Height)	6.5 – 8	4 – 3.5	* Price/M ² = KD 8 – 6 for a 100-m ² showroom at Ground Floor	---
East Ahmadi	3.5 – 3.75	12 – 18	4 - 3	Auto Show & Restaurant Rentals are the highest	---
Industrial Fahaheel	4 – 3.5 (As per Height)	14 – 20	5 – 3.5	depending on activity	---

*Average rental values per square meter increase in prime locations and modern buildings. Activity type is also considered.

*Average rental values per square meter increase depending on floor height. In addition, demand increases on stores with a net ceiling height of 8–6 m.

**Average Rental Values for Private Residence Covering 400 m
Newly Built at Kuwait Governorates During Q4/2014**

Hawalli Governorate	3 bed rooms + hall + 4 bathrooms + Maid (1 st / 2 nd floor) 135 m		Full floor (ground)		Full floor (1 st or 2 nd)		Full House (GF + 1 st)	
Siddique	550	650	1,200	1,400	1,000	1,200	2,000	2,300
Al-Salam	550	650	1,200	1,400	1,000	1,200	2,000	2,300
Hateen	550	650	1,200	1,400	1,000	1,200	2,000	2,300
Shuhadaa	550	650	1,200	1,400	1,000	1,200	2,000	2,300
Zahraa	550	650	1,200	1,400	1,000	1,200	2,000	2,300
Shaab	600	650	1,300	1,500	1,100	1,300	2,200	2,500
Mishref	550	650	1,200	1,300	1,000	1,100	2,000	2,300
Bayan	500	550	1,100	1,200	1,000	1,100	1,900	2,100
Mubarak Al-Abdullah	550	600	1,200	1,300	1,000	1,100	2,100	2,200
Salwa	500	550	1,100	1,200	900	1,000	1,900	2,000
Jabriya	500	550	1,200	1,300	950	1,100	1,900	2,100
Capital Governorate	3 bed rooms + hall + 4 bathrooms + Maid (1 st / 2 nd floor) 135 m		Full floor (ground)		Full floor (1 st or 2 nd)		Full House (GF + 1 st)	
Adiliya	650	750	1,500	1,600	1,250	1,400	2,700	2,850
Faihaa	650	750	1,400	1,500	1,250	1,350	2,650	2,850
Rawda	650	750	1,400	1,500	1,250	1,350	2,650	2,850
Yarmouk	650	750	1,350	1,400	1,150	1,300	2,550	2,750
Kaifan	600	750	1,300	1,400	1,100	1,250	2,275	2,475
Mansouriya	600	700	1,350	1,450	1,200	1,300	2,350	2,550
Qadsiya	550	650	1,300	1,400	1,100	1,200	2,250	2,450
Daiya	550	650	1,300	1,400	1,100	1,200	2,200	2,400
Dasma	550	650	1,300	1,400	1,100	1,200	2,200	2,400
Surra	550	650	1,300	1,400	1,100	1,200	2,250	2,450
Qurtuba	550	650	1,250	1,350	1,100	1,200	2,328	2,528
Ghirnata	480	500	1,000	1,100	1,000	1,100	1,650	1,850
Sulaibikhat	450	500	950	1,100	1,000	1,100	1,650	1,850
Doha (Full House)	-	-	-	-	-	-	1,300	1,450
Farwaniya Governorate	3 bed rooms + hall + 4 bathrooms + Maid (1 st / 2 nd floor) 135 m		Full floor (ground)		Full floor (1 st or 2 nd)		Full House (GF + 1 st)	
Farwaniya	450	500	1,000	1,100	850	950	1,750	1,850
Omariya	450	500	1,000	1,100	850	950	1,750	1,850
Khaitan	400	450	1,000	1,100	850	950	1,750	1,850
Eshbelia	400	450	1,000	1,100	850	950	1,750	1,850
Rabia	400	450	1,000	1,100	850	950	1,700	1,800
Rihab	400	450	1,000	1,100	850	950	1,700	1,800
Ardiya	400	450	1,000	1,100	850	950	1,700	1,800
Andalus	400	450	1,000	1,100	850	950	1,700	1,800

This report highlights the general trends adopted to transact real estate market prices in Kuwait. However, the methodology applied by the Evaluation and Studies Department at "KFH" depends on the study of each property separately, study its characteristics, determine rental value and returns in order to produce a special recommendation and a fair evaluation for each property.

Glossary Annex

Building dedicated for private housing	These are standard buildings located in the areas with low density and dedicated for the residence of one family, which are constructed by individuals or the private sector by using architectural designs that differ according to the owner, or which lands were distributed by the State within the Programs of Housing Welfare by using unified or different architectural designs (Model).
Building dedicated for investment housing	That is the building consisting of a number of housing units (apartments – Villas – Duplex – Studios), which are used for rent or ownership at all floors.
Buildings of Private Schools	These are the buildings dedicated for providing educational services and could be for one educational stage or for several stages
Buildings of Hotels and Motels	These are the buildings dedicated for temporary residence for tourist and recreational purposes and presenting general services to the guests
Commercial Building (Mall)	That is the building that permits the use of the basement and the ground floor and the Mezzanine for commercial shops, it could be designed as closely attached shops or separate shops which could be directly served on corridors on the commercial street, or in the form of cabins. The recurrent floors could be used as offices or for any other purposes.
Industrial Facilities	These are the buildings dedicated for industrial purposes or for warehouses or for service or craft purposes
Residential Complexes outside & inside Kuwait City	These are the buildings dedicated for the investment housing, and such buildings consist of several housing units (apartments or villas or studios or Duplex), and they are being used for rental or ownership purposes at all floors, and the buildings of the Complex could be closely attached as one building or as separate buildings provided that the area of the land on which the Complex is constructed should not be less than 3000 square meters, given that the areas deducted for the vision angles should be calculated within the area required for the construction of the Complex.
Building on various areas on the Coastline	Those mean the buildings constructed on the Coastline, and made by the individuals on their private properties.
Buildings dedicated for Plant Nurseries	The buildings which are being used to grow the Seedlings of all kinds, sale and display of plants and flowers, and arrange and maintain the gardens and the agricultural products, along with a store for the seeds and agricultural requirements, in addition to administrative offices.
Private Marine Chalets	These are buildings which are constructed outside the limits of General System in accordance with rental contracts on the land of State for entertainment purposes
Private Hospitals	These are the buildings dedicated for providing medical services (Outpatient Clinics – Operations Theater – Laboratories – Rooms and Suites for the patients), and their services could be general or specialized

Units of measurement:

Length:

- International unit of length is the meter (m) .
- (1 m = 10 decimeter = 100 cm = 1000 mm) .
- yard = 3 feet = 0.9144 m .
- foot = 12 inches = 30.48 cm = 0.3048 m .
- inch = 2.54 cm = 0.0254 m .
- kilometer = 0.6214 mile = 1000 m .
- land mile = 1.6093 kilometers = 1609.0 m .
- nautical mile = 6080 feet = 1.853 kilometers = 1853 .
- League = 3 miles = 4.8281 kilometers = 4828 m .
- Dau = 2 meters approximately
- tall = 182.88 cm = 1.8288 m .
- Arm = 51 cm = 0.51 m .
- Spam = 22.86 cm = 0.0229 m .
- meter = 1.0936 yards = 3.2808 ft = 39.37 inches.

Area:

- The international unit for measuring space is per square meter (m^2) .
- hectare = 10 acres = 2.471 acres = 10,000 m^2 .
- Acre = 4046.8 m^2 .
- dunam = 1000 m^2 .
- square meter = 10,764 foot