



Kuwait Finance House “KFH”

Report On Local Real Estate Market - Q1 2018



Registered in the Literary Property Sector

Bookmark Filing No.: ISBN: 978 - 9921 - 9705 - 6 - 2

Copy or Edition No.: 45 - 2018

Kuwait Finance House reserves the right to publish the general average price area wise depending on several actual indicators and sales as per KFH surveys.

It is not permissible to quote, copy or transcript any part of the report wholly or partially without the prior written consent of Kuwait Finance House. Violators shall render themselves liable for legal questioning.





Contents

Introduction	6
First: Market Trends	8
Land Prices in Q1 2018	8
Market Trends in Q1	9
Real Estate Trading Trends in Q1	10
Private Residence Trends	11
Investment Real Estate Trends	12
Commercial Real Estate Trends	14
Second: Housing Projects	14
List of Public Authority for Housing Welfare Projects	16
Third: Price Indicators	17
First: Private Residence Land Prices	17
Capital Governorate	17
Hawalli Governorate	18
Farwaniya Governorate	21
Mubarak Al-Kabeer Governorate	22
Ahmadi Governorate	24
Jahra Governorate	25
Second: Investment Land Prices	27
Capital Governorate	27
Hawalli Governorate	28
Farwaniya Governorate	31
Mubarak Al-Kabeer Governorate	32
Ahmadi Governorate	32
Jahra Governorate	34
Annual Rate of Return on Investment Real Estates	34
Third: Commercial Land Prices	35
Capital Governorate	36
Hawalli Governorate	37
Farwaniya Governorate	38
Ahmadi Governorate	38
Jahra Governorate	39
Annual Rate of Return on Commercial Land	40



Contents

Fourth: Industrial Plots Prices (Beneficiary Contracts) and Warehouses	41
Capital Governorate	41
Farwaniya Governorate	42
Ahmadi Governorate	43
Fifth: Farms and Livestock Pales Prices	45
Sixth: Chalets Prices	47
Seventh: Occupancy and Rent Ratios	48
Private Residence Rent Value	48
Investment Residence Rent Value	48
Commercial Real Estate Rent Value	49
Industrial Real Estate Rent Value	49
Glossary of Terms	55
Tables	
Table (1) List of Public Authority for Housing Welfare Projects	16
First: Prices of Residential Plots in Kuwait Governorates	18
Table (2) Capital Governorate	20
Table (3) Hawalli Governorate	22
Table (4) Farwaniya Governorate	23
Table (5) Mubarak Al-Kabeer Governorate	23
Table (6) Ahmadi Governorate	25
Table (7) Jahra Governorate	26
Second: Prices of Investment Land in Kuwait Governorates	27
Table (8) Capital Governorate	28
Table (9) Hawalli Governorate	30
Table (10) Farwaniya Governorate	31
Table (11) Mubarak Al-Kabeer Governorate	32
Table (12) Ahmadi Governorate	33
Table (13) Jahra Governorate	34
Table (14) Rate of Return on Investment Real Estate	35
Third: Prices of Commercial Land in Kuwait Governorates	35
Table (15) Capital Governorate	37
Table (16) Hawalli Governorate	37
Table (17) Farwaniya Governorate	38
Table (18) Ahmadi Governorate	39
Table (19) Jahra Governorate	39
Table (20) Annual Rate of Return on Commercial Real Estate	40

Fourth: Prices of Industrial Plots in Kuwait Governorates	41
Table (21) Capital Governorate	42
Table (22) Farwaniya Governorate	43
Table (23) Ahmadi Governorate	44
Table (24) Mubarak Al-Kabeer Governorate	44
Table (25) Jahra Governorate	44
Fifth: Table (26) Prices of Farms and Livestock pales	46
Sixth: Table (27) Prices of Chalets	47
Seventh: Average Rent Value Trading in Certain Kuwait Governorates	50
Table (30) Private Residence	50
Table (31) Investment Real Estate	52
Table (32) Commercial Real Estate	54
Table (33) Industrial Real Estate	54
Charts:	
Figure (1): Total Real Estate Sales Value	9
Figure (2): Distribution of Real Estate Sales Share – Sector Wise	9
Figure (3): Development on Total Real Estate Sale Value	10
Figure (4): Average Real Estate Transaction Value	11
Figure (5): Private Residence Real Estate Transactions Value	11
Figure (6): Average Transaction Value - Private Residence Real Estate Transaction	12
Figure (7): Investment Real Estate Sales Value	13
Figure (8): Average Investment Real Estate Sales Value	13
Figure (9): Commercial Real Estate Sales Value	14
Figure (10): Average Commercial Real Estate Sales Value	14
Figure (11): Accumulating Residential Applications	15
Average Transaction Value / Real Estate Trading Value	
Figure (12): Capital Governorate	17
Figure (13): Hawalli Governorate	19
Figure (14): Farwaniya Governorate	21
Figure (15): Mubarak Al-Kabeer Governorate	23
Figure (16): Ahmadi Governorate.	24
Figure (17): Jahra Governorate.	26
Figure (18): Average Price/ m2 of Investment Land	27
Figure (19): Average Price / m2 of Commercial Real Estates	36
Figure (20): Average Market Value / m2 of Industrial and Handcraft Real Estate	41
Figure (21): Average Estimated Price of Livestock Pales and Stables in Ahmadi Governorate	45

Introduction

Real estate sales increased remarkably in Q1 2018 compared to the preceding quarter as the value reached KD 832 Million, thus reaching its highest level since mid-2015. The value recorded an increase by 43% on quarterly basis. Despite the recession witnessed in the real estate market the increase in value can be attributed to the deal analysis conducted on the buildings which represent 66% of the value of deals. Meanwhile the share of lands in these transactions represented 37% while apartments represented 3.1%.

Ownership flats witnessed remarkable activity. The value of real estate auctions held during Q1-2018 represent 6.7% of the value of real estate sales during this quarter. This real estate performance goes against market trends during previous periods as those previous factors were have activated the sales volume on exceptional basis.

The market may experience weak performance during the next quarter which coincides with summer season and summer holidays compared to robust periods. Oil prices had witnessed positive developments since Q1 2017 which indicates that the government has sufficient liquidity which could reflect positively on the local real estate sector. Meanwhile, the number of real estate transactions reached 1,400 transactions in Q1 2018 on quarterly basis i.e. second highest level in the number of transactions since last year.

It can be assumed that a large part of the sales value can be attributed to several reasons including the increase in the value of sales of buildings, malls and houses to reach approximately KD 550 Million which also include malls and car parkings. Land transactions in various real estate sectors approximated KD 307 Million while the value of traded apartments reached KD 26 Million covering an area ranging between 60 M2 – 100 M2 in addition to KD 6 Million as medical clinics. It is noticed that the transactions on real estate buildings have exceeded KD 248 Million in various investment areas of the governorates. Investment land trades approximated KD 130 Million. Several large auctions were made for several types of real estates during Q1 2018 value of which exceeded KD 55.4 Million including auctions approximating KD 44 Million related to investment real-estate sector and KD 7.6 Million on private housing sector and KD 4.5 Million on commercial real estate sector.

Real estate sales value increased in regard to private housing sector during Q1 compared to the preceding quarter. the number of transactions increased remarkably to reach levels which were not reached the one thousand deals level which has prevailed during the second half of 2015. The sector recorded a 3% increase in the value of transactions while the number of transactions has increased by 7.2% on quarterly basis. Despite this good performance yet the value is less on annual basis in regard to the value and No. indicators.

Investment sector recorded an exceptional performance in Q1 which it has not witnessed since mid-2015. The value of sales increased remarkably during Q1. The number of transactions reached an unprecedented level since 2 years due to the remarkable activity in the number of transactions which has recorded a remarkable annual increase by 93% in the value of sales, thus marking a first time increase in the number of transactions during the past two years to reach 11%.

Commercial sector is still fluctuating as the value of sales has declined during Q1 by 8.4% compared to the preceding quarter despite the fact that the number of transactions has doubled during the same period. Both value and no. indices have recorded an annual increase in regard to commercial real estate sector.

Statistics indicate that there is a significant connection between the oil prices and the real estate transaction value. Kuwait oil prices closed on US\$ 64.2 as at the end of Q1 2018, thus continuing its ascending trend and maintaining its earnings in

March and February and increasing by 1% as at the end of Q1 and recording a remarkable annual increase by 30%. Meanwhile consumer price index declined at the end of Q1. It recorded a slight inflation ratio by 0.5% on annual basis as per the information released by the Central Statistics Department which has adopted the new basis (2013). Most of the standard index components recorded slight increase compared to Q4 2017 except some components which have recorded a decline. The foods and beverages component has recorded the highest decline among all components by 1.6% followed by the housing services component which has declined by 1.2% compared to Q4 and by 1.6% on annual basis in light of the continued availability of residential units, decline in occupancy rates and increase in available land as per the requirements of the growth plan and the Kuwaiti government commitment to continue its investment spending program.

In regard to development on local real estate prices during Q1 2018 Average price per square meter has recorded less than KD 600 as at the end of Q1 and still witnessing fluctuating quarterly changes. Meanwhile, investment real estate sector maintained its price levels with a slight decline by less than 0.5% in average price per square meter as it reached KD 1,500. Prices recorded an annual decline for the second quarter respectively by 1%. Average price per meter seemed to be remarkably stable as at the end of Q1 in the commercial sector. Average price is still approximating KD 3,400 M2 as at the end of Q1 this year.

Credit facilities granted by Kuwaiti local banks as at the end of Q1 to both real estate and constructions sectors increased to reach KD 9.9 Billion as per the latest information issued by the Central Bank of Kuwait i.e. a slight increase which did not exceed 1% on quarterly basis. This increase comes as a result of the increase by 0.5% in credit balances in the real estate sector approximating KD 8 Billion and an increase by 2.5% in credit granted to construction sector which has exceeded KD 1.9 Billion. Credit granted to both real estate and construction sectors has declined slightly. Credit granted to real estate sector increased by 2.4% while the credit granted to construction sector declined by approximately 10% compared to Q4 2017.

Instalment credit facilities exceeded KD 11 Billion as at the end of Q1, thus recording an increase by 1.8% on quarterly basis and 8.4% on annual basis. These facilities are granted to individuals who wish build residential units in the private residence sector. Accordingly, credit facilities granted to real estate sector continue to grow, thus exceeding for the first time KD 21 Billion as at the end of Q1 i.e. an increase by 1.3% on quarterly basis. The increase reached 4.1% on annual basis. These balances represent 59.3% of credit facilities granted to various economic sectors.

Real estate loans, women loans and various amounts released by Kuwait Credit Bank in January and February of Q1 reached KD 29 Million which was used to purchase houses, expansion or renovation of private houses or government houses in addition to amounts granted to government houses and handicapped. Loans released include loans to build private and government plots KD 18 Million. Loans granted to real estate portfolio reached KD 172 Thousand during January and February of Q1 2018 used for expansion and renovation of private residence.

Real estate sector maintained the number of its listed companies which has reached 34 companies in Q1 2018 and Q4 2017 compared to 36 companies in Q1 2017. Real estate listed companies represent 19.3% of the number of listed companies which has declined to reach 176 companies in Q1 compared to 19.2% of 177 companies in Q4 last year. Real estate sector comes in third rank among sectors in regard to the quantity of traded shares and number of transactions in Q4 with share 21% and 16% respectively of listed companies. Real estate sector comes in 5th rank in regard to the value of traded shares as it represents a share of 8.8% of the value of traded shares. Meanwhile, the shares value of 10 real estate companies has increased during Q1 while the shares value of 23 real estate companies has declined and the shares value of one company only has stabilized.

The market capitalization of real estate sector companies has declined to reach KD 2 Billion as at the end of Q4 last year i.e. a decline by 10% on quarterly basis and by 6% on annual basis. Market capitalization of listed companies declined to reach KD 27.9 Billion as at the end of Q4 i.e. a decline by 7% compared to the preceding quarter. However, market capitalization was remarkably higher by 5.3% on annual basis. The market capitalization value of the real estate sector companies as at the end of Q4 represented 7.2% of the listed companies. Meanwhile, the value of traded real estate sector shares reached KD 67 Million in Q1 i.e. an increase by 3% compared to KD 65 Million in Q4. The quantity of traded shares increased to reach KD 1.2 Billion shares i.e. an increase by 9% compared to 1.1 Billion shares in Q1. The number of transactions declined slightly to reach 33 thousand transactions. Meanwhile, the value of transactions in Kuwait stock exchange reached KD 767 Million in Q1 i.e. a decline by 23% accompanied by a decline in the quantity of trades and no. of transactions by 2.4% and 1.8% compared to Q4.

First: Market Trends

Land Prices in Q1 2018

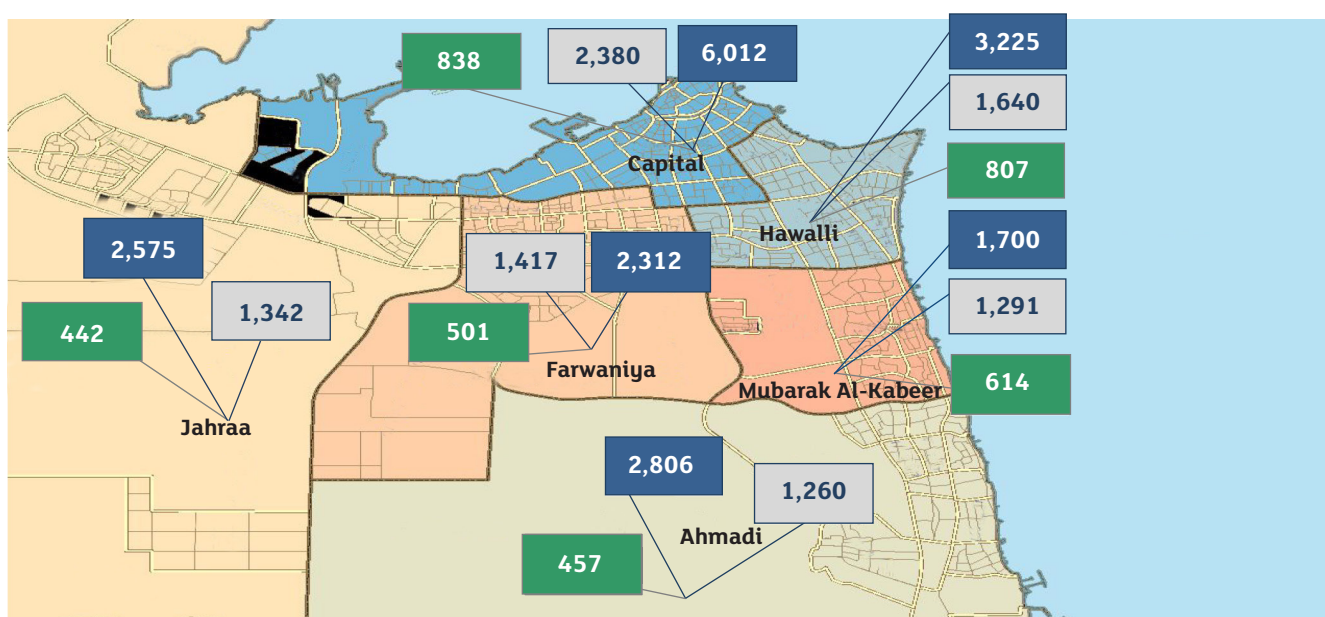
Average price per meter in Capital governorate reached KD 838 in the private residence sector as at the end of Q1 2018 while it reached KD 2,380 in the investment sector. Average price per meter has exceeded this limit in the Commercial sector thus exceeding KD 6,000 for the first time in Q1 2018. In Hawalli governorate, price per square meter reached KD 807 in private residence sector, KD 1,640 in investment sector and KD 3,225 in commercial sector.

In Farwaniya governorate, average price per square meter reached KD 501 for private residence sector, KD 1,417 for investment sector and KD 2,300 in commercial sector for the same governorate as at the end of Q1 2018.

Average price per square meter for Real-estate sectors in all governorates Q1 2018

Average Price Per Square Meter for Real Estate Sectors in All Governorates Q1 2018

Numbers in KD



Commercial Lands



Investment Lands



Private Residence



Market Trends during Q1

Real estate sales value increased remarkably in Q1 as it reached KD 832 Million, thus reaching the highest level since Q2 2015 where it approximated KD 1 Billion. Meanwhile the number of transactions increased to reach 1,387 transaction i.e. the second highest level since that period as well. Accordingly, average transaction value has increased in Q1 to reach KD 600 Thousand i.e. the second highest level since Q2 2014.

Real estate sales value increased slightly in private residence sector on quarterly basis compared to the preceding quarter. The number of transactions in private residence sector increased while average transactions value for private residence declined in Q1 compared to the preceding quarter.

The value of real estate sales in investment real estate sector reached exceptional levels in Q1 since 3 years as its value started descending since that period. A remarkable activity was noticed in the number of transactions in this sector in Q1. Accordingly, average transaction value has exceeded KD 1 Million as at the end of Q1 i.e. the highest level since Q1 2015.

Real estate sales value declined in trading real estate sector in Q1 compared to Q4. However, sales are still at high levels relatively during most of the quarterly periods in previous years. This decline comes in Q1 despite the fact that the number has doubled compared to Q4. Average transaction value in commercial sector is still fluctuating as it declined significantly compared to Q4 which has recorded a standard level reaching KD 4 Million in Q1 2018.

Figure (1) Total Real estate Trading Value Q4 2017, Q1 2018

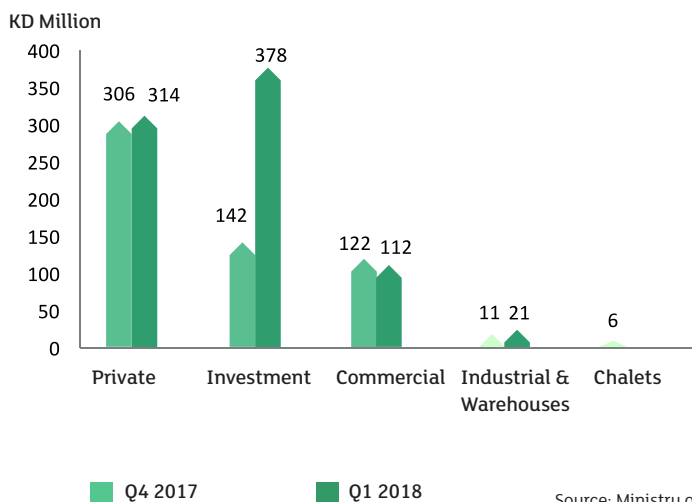
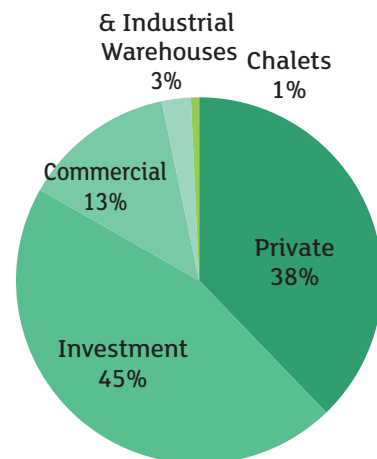


Figure (2) Distribution of Real estate Transactions Share(Sector wise)/ Total Real estate Transactions Value Q1 2018



Source: Ministry of Justice – Kuwait Finance House

Real estate Sales Trends during Q1 2018

Real estate sales value increased to reach KD 832 Million in Q1 as per the indicators of the Real estate Registration & Authentication Dept. – Ministry of Justice compared to Q1 2017, thus recording an increase by 43% compared to Q4 which has witnessed a slight decline. This indicates that growth ratios have fluctuated on quarterly basis. Meanwhile, real estate sales value improved in the residential sector while they increased remarkably in the investment sector and declined in the commercial sector. On annual basis, real estate sector sales recorded an annual growth ratio by 24% in Q1 2018.

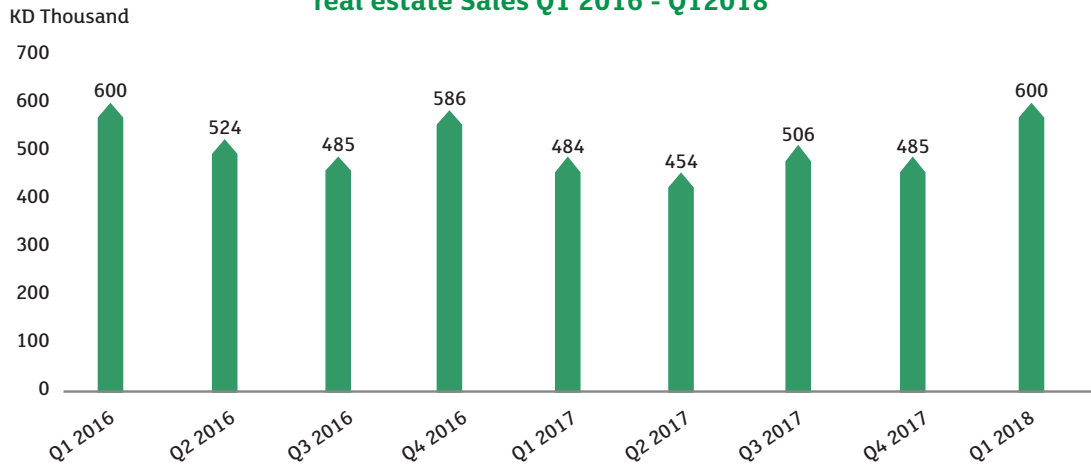
Private residence sector contributed 38% of the value of real estate sales in Q1 2018. Meanwhile, investment sector sales share exceeded 45% of real estate sales i.e. higher than Q4 2017. Commercial real estate sector dominated 13% of the value of real estate sales while handcraft and industrial sector sales represented 3% of real estate sales in Q1.

Figure (3) Development on total real estate Slaes value Q1 2017 - Q1 2018



Average real estate transaction value increased to reach KD 600 Thousand in Q1 compared to KD 485 Thousand in Q4 2017, thus recording an increase approximating 24% on quarterly basis in Q1 and an increase by the same ratio on annual basis. The number of transactions increased to reach 1,387 transaction in Q1 i.e. an increase by 16% compared to 1,199 transactions in the preceding quarter. the number of transactions traded on annual basis has stabilized relatively.

Figure (4) Development on Average Transaction value/ total real estate Sales Q1 2016 - Q12018

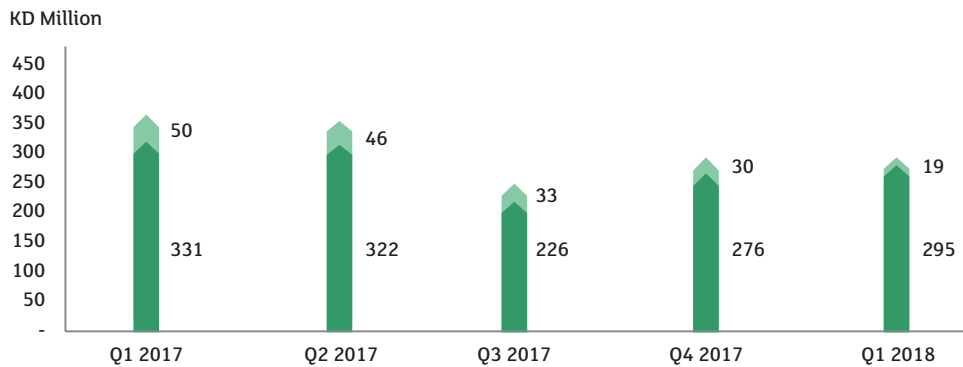


Source: Ministry of Justice – Kuwait Finance House

Private Residence Trends

Private residence sales increased to reach KD 314 Million in Q1 2018 i.e. a limited increase by 3% on quarterly basis. It is noticed that there is a clear fluctuation in the trading changes of residential sector on quarterly basis. Meanwhile, the value of the sector sales declined for the first time on annual basis i.e. a decline by 18% following 4 consecutive quarters of remarkable increase. Annual change ratio in sector sales continued its descending trend since last year.

Figure (5) Development on private residence real estate sales Q1 2017 - Q1 2018



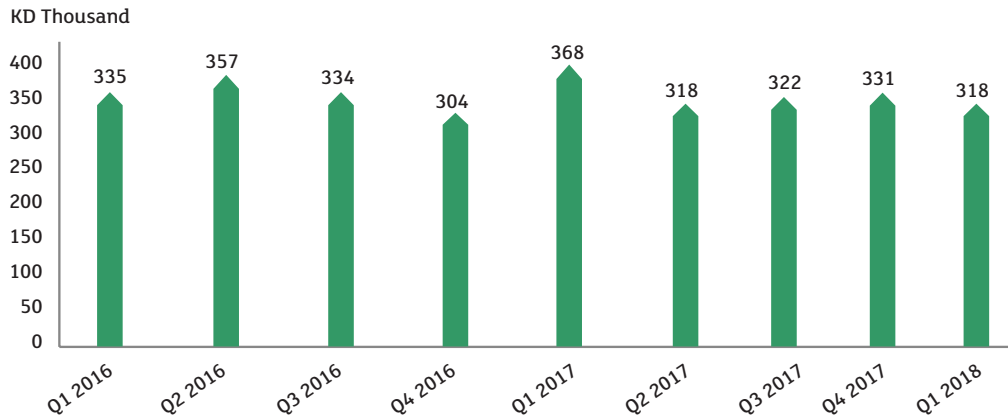
Source: Ministry of Justice – Kuwait Finance House

■ Contracts ■ Agencies

Average transaction value of private residence increased to reach KD 318 Thousand in Q1 this year i.e. a decline by 4% on quarterly basis. Meanwhile, this index has recorded an unprecedented decline by 13.5% on annual basis.

The number of transactions in private residence sector increased to reach 988 transactions as at the end of Q1, marking a significant increase by 7.2% on quarterly basis. The number of transactions declined by 4.6% on annual basis.

**Figure (6) Progress on average transaction value/
Private residence transactions Q1 2016 - Q1 2018**

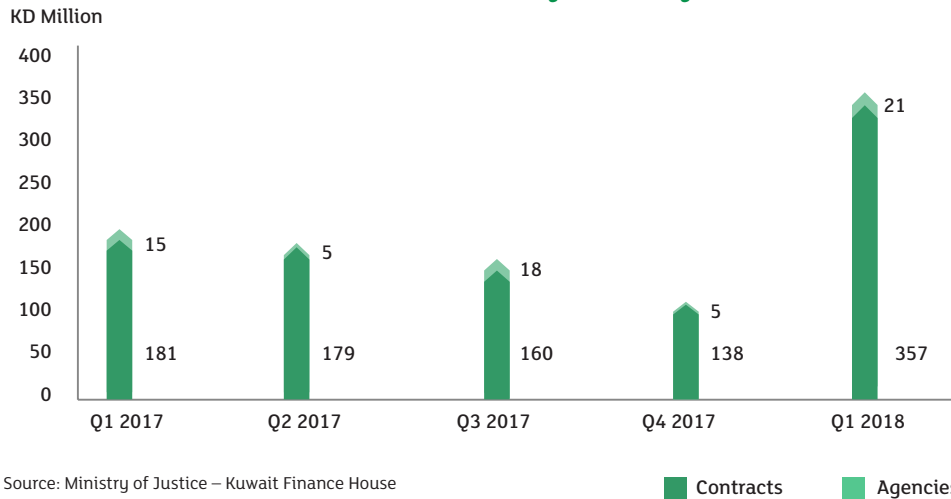


Source: Ministry of Justice – Kuwait Finance House

Investment Real Estate Trends

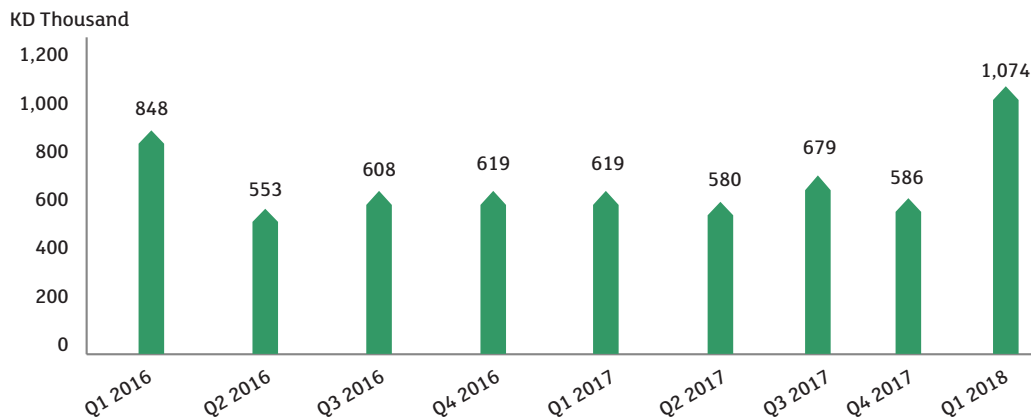
Investment real estate sales value recorded an unprecedented increase to reach its highest since Q2 2015. The value reached KD 378 Million in Q1 2018 compared to its lowest levels where it recorded KD 142 Million in Q4 2017, thus making an exceptional increase by 166% on quarterly basis.

Figure (7) Progress on Investment Real estate Transactions Value Q1 2017 - Q1 2018



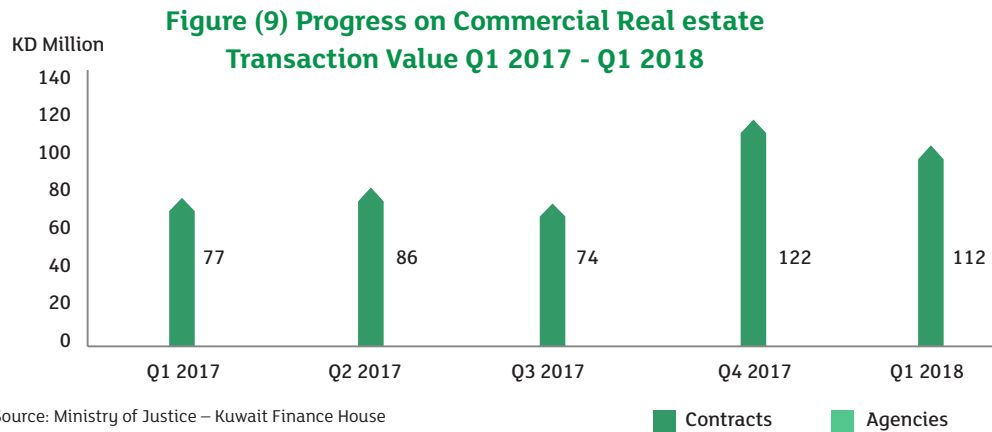
Investment real estate average transaction value increased to reach more than KD 1 Million for the first time in 3 years as it reached KD 1.1 Million in Q1 2018. Average transaction value has recorded an unprecedented increase by 83% on quarterly basis and 73% on annual basis. Meanwhile, the number of transactions in investment real estate sector increased to reach 352 transactions in Q1 i.e. an unprecedented increase by 45% compared to a decline by 243 transactions in Q4 or 7.6% on quarterly basis. The above shows the fluctuation in the quarterly change in the number of transactions in this sector. Accordingly, and for the first time the number of transactions has recorded an annual increase on annual basis since 2 years by 11% in Q1 2018.

Figure (8) Progress on Average Transaction Value/ Investment Real estate Sale Value Q1 2016 - Q1 2018



Commercial Real Estate Trends

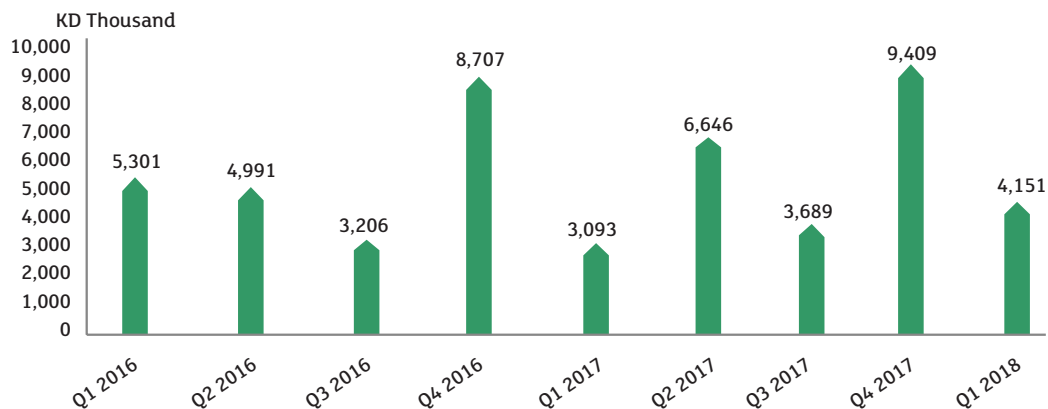
Commercial real estate sales value reached KD 112 Million in Q1 2018, thus continuing fluctuation in the change ratios recorded by sales value. Sales value declined in Q1 by 8.4% on quarterly basis. Despite this decline in commercial sector sales yet the value increased significantly by 45% on annual basis. However, it is noticed that fluctuation continued in annual growth ratios of commercial sector sales.



Average transaction value in commercial real estate sector reached KD 4.5 Million in Q1 2018 compared to a significant increase to reach record levels in more than 5 years by reaching KD 9.4 Million in Q4 2017. Accordingly, average value is still fluctuating after recording a decline on quarterly basis by 56% in Q1. Despite this decline, average transaction value in Q1 is considered as higher by 34% on annual basis.

The number of transactions in commercial real estate sector doubled to reach 27 transactions in Q1 compared to 13 transactions in the preceding quarter. Accordingly, the number of transactions in this sector increased by 8% on annual basis.

Figure (10) Progress on average transaction value/ Commercial real estate transactions Q1 2016 - Q1 2018



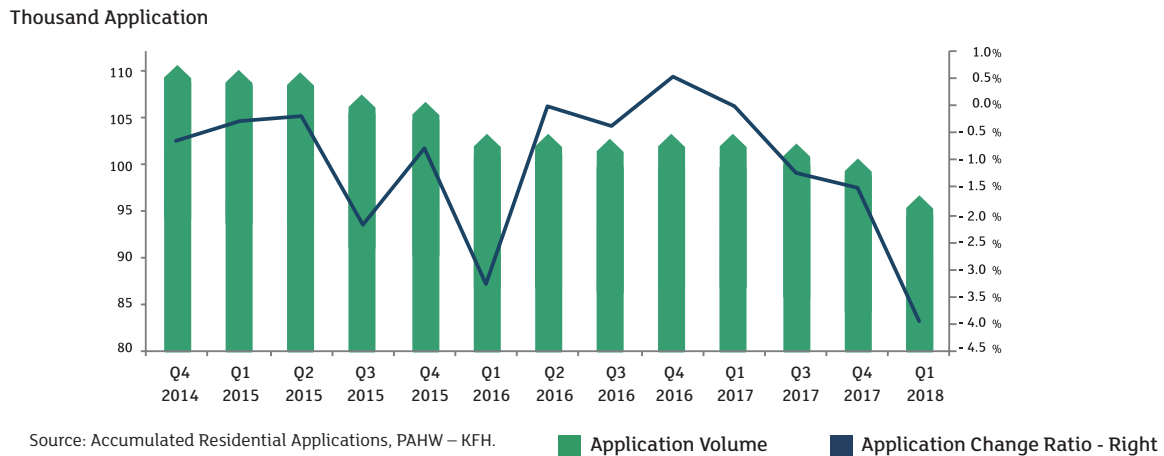
Second: Residential Projects

The Public Authority for Housing Welfare is executing several projects in the new cities according to the approved time schedule of the current development plan 2015/2016 – 2019/2020. The State of Kuwait aims to be a commercial and financial hub through various announced projects and infrastructure projects executed by the ministry of public works. The authority is also executing residential projects based on very strict technical conditions placed by the authority for the execution of new residential cities. This activity shall fulfil part of the demand which comprises partially accumulated residential applications.

PAHW has succeeded in mitigating the number of residential applications as per the latest report issued by the authority in February 2018. The authority was able to mitigate the number of applications to reach 96.4 thousand application i.e. a decline ration by 3.9% compared to the number of current applications 100 thousand applications as at the end of Q4 2017. Kuwait is still continuing its plan to provide and distribute residential units and lots to

citizens. PAHW has succeeded in distributing more than 3,260 units covering an area of 400 m² each in South Abdullah Al-Mubarak during Q1 2018 as it distributed 856 plots in January and approximately 897 plots in February. Also it announced the distribution of 1,507 units in the same residential project in March 2018 as per the distribution plan 2017/2018. The authority has distributed 1,448 plots in south Khaitan project during November and December last year as per the announced distribution plan.

Figure (11) Progress on residential applications presented to PAHW



PAHW plans to execute several residential during the coming period including the construction projects of plots, services and public buildings in 4 residential cities. The value of these projects approximate KD 337 Million with a share reaching 37% of the cost of the PAHW projects as February report 2018. The authority has succeeded in handing over units worth KD 48 Million in Abu-Halifa Residential Project and West Abdullah Al-Mubarak City. The authority continues to complete other projects as per the time schedule e.g. Jaber Al-Ahmed City Project and exceeded the agreed completion percentage in other projects.

The authority is following up the execution of public building projects in the new residential cities and certain other cities for 10 projects amounting more than KD 174 Million and representing a share approximating 19.1% of the value of the authority projects including construction and maintenance of public buildings at Wafra area amounting KD 71 Million. Time schedule of some projects is still under processing. These projects amount KD 24.6 Million. These ten projects include construction and maintenance works of public buildings at Sabah Al-Ahmed Area amounting KD 51.3 Million.

Concerning main roads projects and sundry services the PAHW is executing projects amounting KD 400 Million and which represent 44% of the value of the PAHW projects i.e. a value 17 projects including road construction and maintenance projects and infrastructure networks at South Mutlaa Residential Project, approximating KD 294 Million i.e. a completion ratio exceeding the determined hand over schedule. PAHW designs also installation and maintenance projects of main power stations and managed to deliver them e.g. Residential Wafra Expansion Project of total value KD 47 Million other projects are still in their initial stages e.g. West Abdullah Al-Mubarak city approximating KD 42 Million including projects amounting KD 7.3 Million for which time schedules are under processing.

Accordingly, total projects executed by PAHW exceeds KD 911 Million being the value of projects in several cities, other projects under planning and designing and other future projects which the authority intends to execute in the new residential cities. The authority aims to design residential projects in 6 different areas comprising more than 53 thousand residential units of 400 m² area each as in South Sabah Al-Ahmed Area which is located 70 km away from the capital governorate, South Saad Al-Abdullah city which is located 27 km and south Abdullah Al-Mubarak which is located at a distance of 16 km, in addition to Khaitan area and East Taimaa area which is located in the middle of Jahra governorate. It also includes low cost residences in the western area of Kuwait 45 km from capital and 15 km from Jahraa governorate

There are other projects also which are still under execution to deliver 39 thousand units of 400 M² area each. These units include 900 flats covering an area of 385 M² each. Such projects are distributed in various residential cities including Wafra expansion project and Wafra current project which comprises 600 m² units, Jaber Al-Ahmed city which 22 km far from the capital, south Mutlaa, Sabah Al-Ahmed city, North West Sulaibikhat as well as west Abdullah Al-Mubarak city.

The Authority plans to execute several future projects aiming to provide around 140 residential units covering an area of 400 M² each e.g. Sabriya city which is located 60 km North Country from capital. The city comprises more than 52 thousands residential units. Also included is Khairan city which is 80 km far from capital and comprises 36 thousand residential units, Nawaf Al-Ahmed city which is 110 km far from capital and comprises 52 thousand units covering an area of 400 m² each.

List of projects announced by the Technical Bureau for Studying Development Projects, mainly as follows:

Projects for Houses, Plots, Services, and Affiliated Public Buildings

Field of the Product	#	Area	Contract Value Million KD	Actual Completion %	
				Contractual	Actual
Houses and Plots Project, Public Services Building	1	Abu-Halifa Residential Project	2.2	100	100
	2	West Abdullah Al-Mubarak city	46	100	100
	3	Jaber Al-Ahmed City	73	*18.1	33.2
	4	South Mutlaa	215.8	9.9	9.0
Total Cost			KD 336.9 Million		

* Projects exceeded contractual ratio

Public Building Projects	5	Sabah Al-Ahmed City	36.4	100	98.7
	6	Existing Wafra Project	21.2	100	76.1
	7	Sabah Al-Ahmed City	1.5	51.3	17.3
	8	Mina Abdullah	2.2	78.3	54.7
	9	Wafra	23.7	12	7.1
	10	Sabah Al-Ahmed City	13.4	*28.8	32.1
	11	Jaber Al-Ahmed City	8.2	*3.94	6.5
	12	Wafra	24.6	Time program under process	Not started yet
	13	Wafra	14.4	*0.1	2.4
	14	West Abdullah Al-Mubarak City	28.5	Time program under process	Not started yet
Total Cost			174.1 million		

* Projects exceeded contractual ratio

Roads Projects and Sundry Services	15	Sabah Al Ahmad City	46.6	100	100
	16	Jaber Al Ahmad City	0.979	100	100
	17	Jaber Al-Ahmed City	1.1	100	100
	18	South Mutlaa	288	*13.3	16.7
	19	South Mutlaa	6	26.6	Not started yet
	20	Sabah Al-Ahmed City	1.5	100	100
	21	Sabah Al-Ahmed City	1.4	87.2	77.2
	22	West Abdullah Al-Mubarak City	16.2	*48.7	50.4
	23	Sabah Al-Ahmed City	1.2	*58.5	73
	24	Abu-Halifa Residential City	0.188	*89.2	93
	25	Sabah Al-Ahmed City	0.424	*57.3	60
	26	West Abdullah Al-Mubarak City	18.5	*3.5	10
	27	Jaber Al-Ahmed City	10.4	*13.8	25.8
	28	West Abdullah Al-Mubarak City	5.7	Time program under process	Not started yet
	29	Wafra	0.366	*36.5	55
	30	South Abdullah Al-Mubarak	1.6	Time program under process	Not started yet
31	Wafra	0.148	70.4	88.8	
Cost			KD 394.3 million		
Total Cost of PAHW Projects			KD 905.4 million		

* Projects exceeded contractual ratio

Third: Price Indicators

First: Private Residence Land Prices

Prices of residential land and real estate differ according to the characteristics of each type of various real estates including location and other advantages in various Kuwait areas and governorates. Average price per square meter increased to approximate KD 610, thus marking a slight increase by 0.5% compared to Q4 2017 prices. The decline in annual prices has improved as prices have recorded the lowest decline since the beginning in Q1 2015 thus reaching 1% in Q1 2018.

Private residence price levels have improved in most of the governorates in Q1 compared to the preceding quarter. Prices increased slightly in capital governorate. Hawalli governorate was the exception among all governorates as it recorded a slight decline in prices. Farwaniya governorate recorded a limited increase in prices. Prices stabilized as at the end of Q1 in other governorates compared to Q4 last year. on annual basis prices continued to improve in Q1 2018. Prices declined in capital governorate on annual basis and recorded a decline by 1.9% in Hawalli governorate and 0.5% in Mubarak Al-Kabeer governorate. Prices stabilized in Farwaniya governorate while they increased in certain other governorates e.g. Ahmadi governorate by 0.5%. Prices increased in Jahraa Governorate by 4.7% on annual basis.

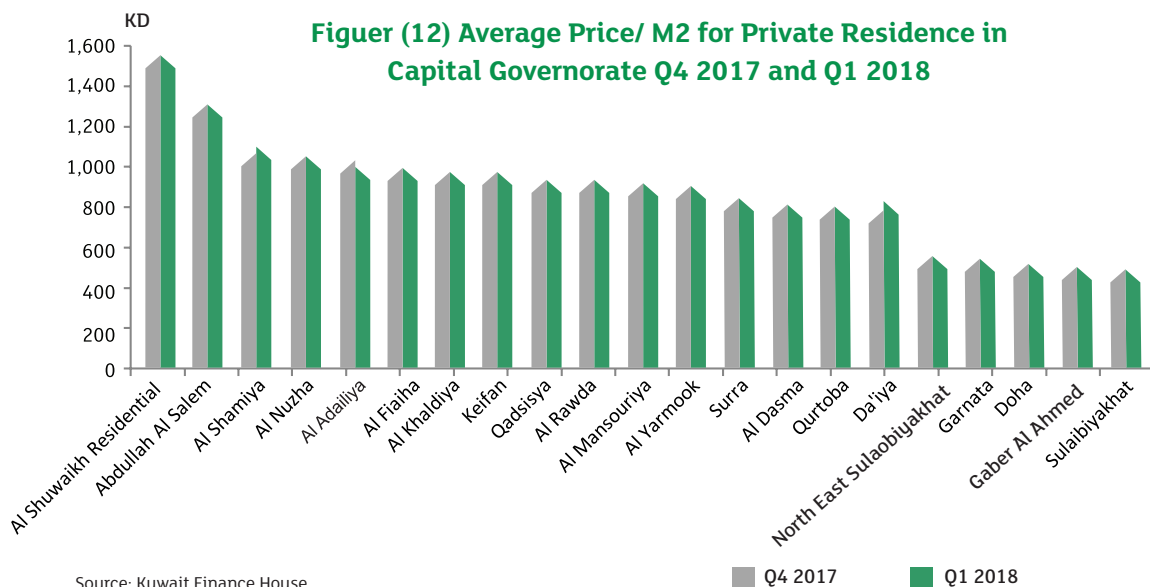
Capital Governorate

Average price per square meter in private residence sector at Capital governorate improved slightly compared to Q4 as it recorded KD 838. This is the second time the average price per meter records an increased on quarterly basis. Although it's a slight increase yet it is better than the limited decline ratios which have prevailed during the preceding quarters as they recorded 4.7%.

Average price per square meter stabilized in most of capital governorate areas e.g. highest price area in Shuwaikh residential area in which average price per square meter is still higher than KD 1,500 as at the end of Q1 2018, followed by Abdullah Al-Salem district where prices have exceeded KD 1,300/- . Prices increased by 1% in Shamiya area while it improved slightly in Nuzha area at little higher than KD 1,000 per square meter in Q1 2018.

Average price per square meter stabilized in areas where price ranged between KD 800 – 900. Prices declined in other residential areas in the governorate e.g. Edailiya while prices declined by 1%. Prices improved in the next price area i.e. Faiha area while prices stabilized in Khaldiya and Keifan areas. Prices declined in Rawda area by 0.5% and by less than that in Mansouriya and Yarmouk.

Prices increased in Areas where price per meter ranged KD 700 – KD 800 e.g. Surra areas which takes the leading position in regard to prices. Prices increased by 1% in other areas e.g. Dasma. In lower price areas prices did not witness any change as at the end of Q1 compared to Q4 as they stabilized at KD 500. Prices stabilized in most of the areas where price per meter ranged KD 700 – 800 e.g. existing houses in Doha, Ghernata and Sulaibikhat.



*Note: General average of the area in tables from 1 to 5, 8 to 13, and 21 to 25 present a general average for several transactions evaluated by KFH, not all of them presented at these tables, thus the readers can not calculate the average price in the area only upon to the price sample found in the tables, however the reader can depend on the general average of the area in order to know the average price per square meter at that area as a price indicator.

Residential Plot Prices at Capital Governorate

Region	Area m ²	Building %	Street	Land Market Value (KD)		Market Value / m ² (KD)		Average Price / m ² Q1 2018
				From	To	From	To	
Al Shuwaikh Residential	500	210%	Internal	700,000	800,000	1,400	1,600	1,500
	1,000	210%	Internal	1,200,000	1,400,000	1,200	1,400	1,300
	1,000	210%	Main	1,400,000	1,650,000	1,400	1,650	1,525
	1,000	210%	Jamal Abdul-Naser	1,600,000	1,800,000	1,600.0	1,800.0	1,700
General Average in the Area				1,225,000	1,412,500	1,400	1,613	1,506
Abdullah Al Salem District	500	210%	Internal	600,000	700,000	1,200	1,400	1,300
	750	210%	Internal	950,000	1,050,000	1,267	1,400	1,333
	1,000	210%	Internal	1,500,000	1,600,000	1,500	1,600	1,550
General Average in the Area				991,667	1,150,000	1,186	1,378	1,282
Shamiyah	250	Till 800 m	Internal	260,000	320,000	1,040	1,280	1,160
	1,000	210%	Internal	780,000	1,000,000	780	1,000	890
	1,000	210%	Main	1,000,000	1,250,000	1,000	1,250	1,125
General Average in the Area				622,857	770,000	935	1,148	1,042
Al Nuzha	500	210%	Internal	425,000	520,000	850	1,040	945
	750	210%	Main	610,000	750,000	813	1,000	907
	1,000	210%	Internal	900,000	1,200,000	900	1,200	1,050
General Average in the Area				637,000	794,000	913	1,128	1,020
Al Khaldiya	750	210%	Internal	600,000	750,000	800	1,000	900
	750	210%	Main	720,000	900,000	960	1,200	1,080
	1,000	210%	Internal-Main	900,000	1,000,000	900	1,000	950
General Average in the Area				732,500	897,500	843	1,035	939
Al Adailiya	500	210%	Internal	420,000	520,000	840	1,040	940
	750	210%	Main	720,000	850,000	960	1,133	1,047
	1,000	210%	Damascus	950,000	1,100,000	950	1,100	1,025
				685,714	815,714	880	1,048	964
Faihaa	400	210%	Internal	360,000	420,000	900.0	1,050.0	975.0
	750	210%	Internal	550,000	680,000	733.3	906.7	820.0
	1,000	210%	Internal-Main	900,000	1,000,000	900.0	1,000.0	950.0
General Average in the Area				538,571	624,286	887	1,031	959

Source: Kuwait Finance House

Hawalli Governorate

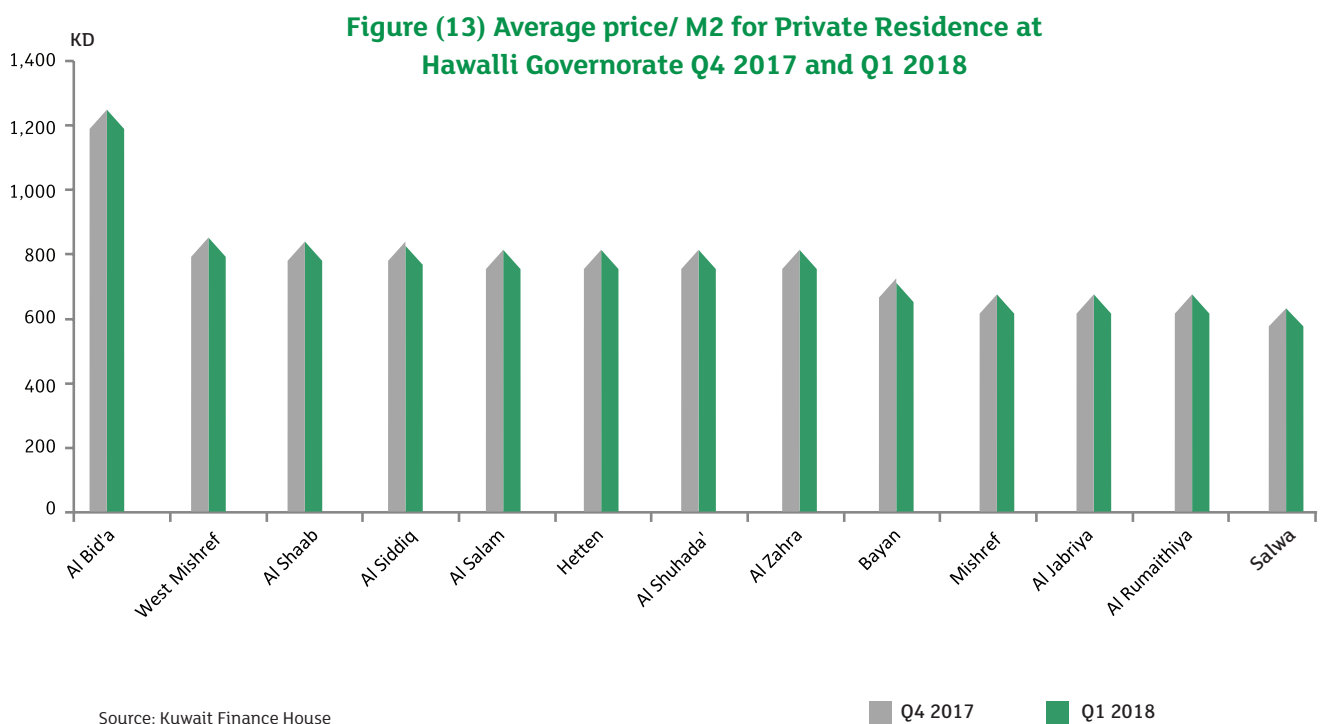
Average price per square meter in Hawalli Governorate stabilized at KD 807 in Q1, thus recording a slight decline by 0.25% compared to Q4 compared to Q4. Prices seem to be stable for quite some time while decline ratios continue to improve on quarterly basis at the governorate. Accordingly, prices have declined on annual basis in Q1 by 1.9%

which is less than the decline witnessed in earlier periods and which has reached 10% as at Q1 last year.

Average price per square meter stabilized in most of the governorate areas. Prices in Al-Bedaa area recorded the highest level in the governorate as it stabilized at KD 1,200 in Q1. Prices stabilized in west Mishrif and Shaab areas at KD 850 while it reached little less than that in Siddique area which was one of the areas that has recorded a slight decline by 1% in Q1 on quarterly basis.

Average price per square meter declined slightly in areas where price per meter ranged between KD 800 – KD 850 e.g. Salaam, Hitteen and Shuhadaa areas by 1% compared to Q4. Prices declined slightly also in Zahraa area. However, average price per square meter declined in Bayaan area compared to price levels in other governorate areas i.e. more than KD 700, thus declining by 1% on quarterly basis.

Prices in average price areas ranged between KD 650 – KD 700 including Mishrif area which was one of the areas to record stability in prices in Q1 compared to the preceding quarter including Mishrif, Jabriya and Rumaithiya areas. Prices in Salwa did not witness any change as they are still considered as the lowest prices in Hawalli governorate



 **Table (3): Residential Plot Prices at Hawalli Governorate**

Region	Area m ²	Building %	Street	Land Market Value (KD)		Market Value / m ² (KD)		Average Price / m ² Q1 2018
				From	To	From	To	
Shaab	400	210%	Internal	320,000	380,000	800	950	875
	500	210%	Main	400,000	480,000	800	960	880
	750	210%	Internal	600,000	700,000	800	933	867
General Average in the Area				421,667	496,667	782	916	849
Jabriya	400	210%	Internal	260,000	320,000	650	800	725
	500	210%	Main	350,000	400,000	700	800	750
	1000	210%	Internal	690,000	800,000	690	800	745
General Average in the Area				400,000	478,889	624	741	682
Rumaihiya	400	210%	Internal	240,000	300,000	600	750	675
	750	210%	Main	330,000	430,000	440	573	507
	1000	210%	Internal	800,000	850,000	800	850	825
General Average in the Area				408,889	487,778	613	742	677
Salwa	500	210%	Internal	270,000	330,000	540	660	600
	750	210%	Internal	320,000	430,000	427	573	500
	1,000	210%	Aqsa	700,000	800,000	700	800	750
	1,000	210%	Taawon	800,000	850,000	800	850	825
General Average in the Area				475,714	562,857	595	712	654
Salaam	400	210%	Internal	280,000	350,000	700	875	788
	400	210%	Main	340,000	400,000	850	1,000	925
	500	210%	Internal	310,000	390,000	620	780	700
	500	210%	Main	400,000	450,000	800	900	850
General Average in the Area				332,500	397,500	743	889	816
Hitteen	400	210%	Internal	280,000	350,000	700	875	788
	400	210%	Main	340,000	400,000	850	1,000	925
	500	210%	Internal	310,000	390,000	620	780	700
	500	210%	Main	400,000	450,000	800	900	850
General Average in the Area				332,500	397,500	743	889	816
Shuhadaa	400	210%	Internal	280,000	350,000	700	875	788
	400	210%	Main	340,000	400,000	850	1,000	925
	500	210%	Internal	310,000	390,000	620	780	700
	500	210%	Main	400,000	450,000	800	900	850
General Average in the Area				332,500	397,500	743	889	816

Source: Kuwait Finance House

Farwaniya Governorate

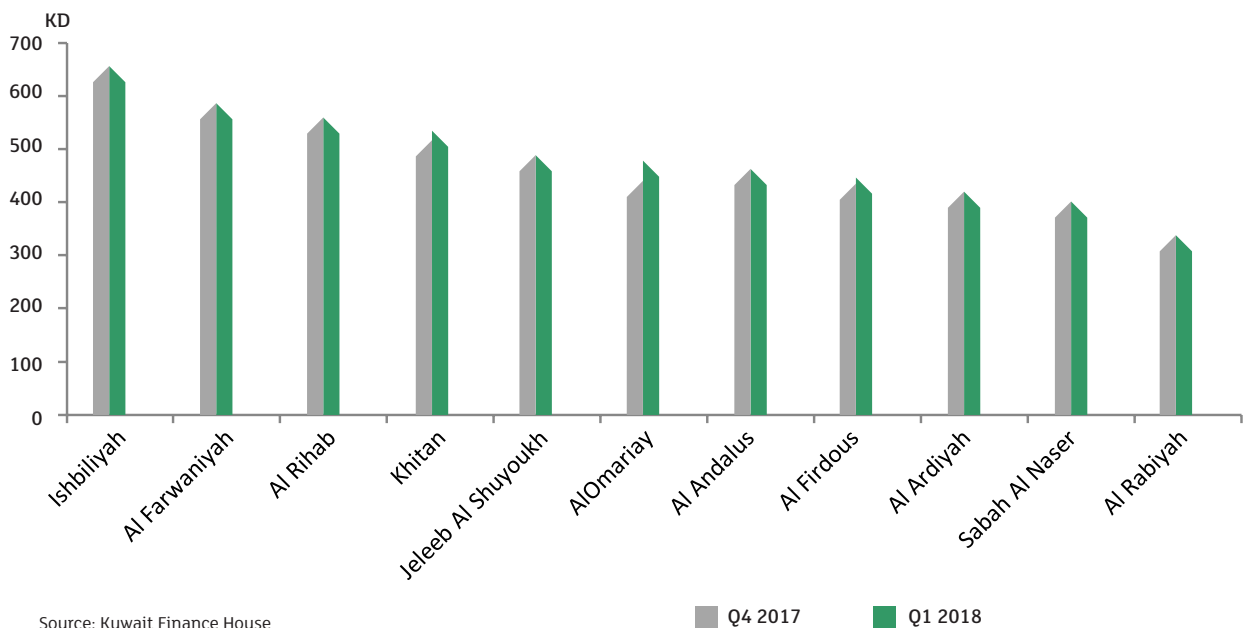
Average price per square meter reached KD 501 in Farwaniya governorate in Q1 2018, i.e. an increase by 3.5% compared to Q4. Although prices have taken the descending trend relatively yet they have started to take the ascending trend. The decline ratio has continued to improve as recorded by the governorate prices during the preceding periods. Meanwhile, prices stabilized in the governorate on annual basis in Q1 2018. Improvement continued in these ratios compared to the annual decline recorded last year as it reached 16.1% as at Q1 2017.

Prices did not witness any change as at the end of Q1 in most of the areas in Farwaniya governorate compared to their levels in Q4 2017. Prices stabilized in Ashbilia which is considered as the highest price area where price per meter average exceeded KD 650 per square meter. Prices stabilized also in Farwaniya area at less than KD 600 while in Rehab area it reached more than KD 550 followed by Khaitan area where prices stabilized.

Prices stabilized also at average price areas where prices ranged between KD 450 – KD 500 e.g. Jaleeb Al-Shoyoukh and Andalus areas.

Prices stabilized in low price areas where price per meter recorded KD 400 – KD 450 e.g. Fardoas area which leads this category. Prices stabilized in most of the sites in this area. Prices stabilized also in lowest price private residence areas in the governorate e.g. Sabah Al-Naser Area.

Figure (14) Average price/ M2 for Private Residence at Farwaniya Governorate Q1 2018 & Q4 2017



 **Table (4): Residential Plot Prices at Farwaniya Governorate**

Region	Area m ²	Building %	Street	Land Market Value (KD)		Market Value / m ² (KD)		Average Price / m ² Q1 2018
				From	To	From	To	
Andalus	500	210%	Internal	185,000	240,000	370	480	425
	750	210%	Main	330,000	350,000	440	467	453
General Average in the Area				281,000	320,000	433	496	464
Rabia (Existing House)	500	210%	Internal	210,000	250,000	420	500	460
	500	210%	Main	240,000	280,000	480	560	520
General Average in the Area				200,000	240,000	313	373	343
Ashbilya	375	210%	Internal	210,000	250,000	560	667	613
	400	210%	Main	270,000	320,000	675	800	738
	500	210%	Internal	260,000	320,000	520	640	580
General Average in the Area				255,000	301,667	603	713	658
Farwaniya	500	210%	Internal	240,000	300,000	480	600	540
	500	210%	Main	290,000	350,000	580	700	640
General Average in the Area				265,000	325,000	530	650	590
Khaitan	400	210%	Internal	190,000	250,000	475	625	550
	1000	210%	Faisal Highway	490,000	590,000	490	590	540
General Average in the Area				360,000	420,000	480	560	520
Jaleeb Al Shuyoukh	500	210%	Main	200,000	240,000	400	480	440
	500	210%	Internal	240,000	300,000	480	600	540
General Average in the Area				220,000	270,000	440	540	490
Ardiya	750	210%	Internal	220,000	270,000	440	540	490
	750	210%	Main	250,000	320,000	333	427	380
General Average in the Area				320,000	370,000	427	493	460

Source: Kuwait Finance House

Mubarak Al Kabeer Governorate

Prices at Mubarak Al-Kabeer governorate maintained their levels at KD 614 in Q1 2018, thus recording a slight increase in Q1 for the second time respectively by not more than 0.25% compared to Q4 2017. Quarterly change ratio continues its relative stability at the same percentage since the beginning of last year. Accordingly, the decline in average price per meter improved significantly to reach less than 0.5% compared to a declined ratio 5.5% last year.

Average price per square meter declined slightly as at the end of Q1 compared to the preceding quarter in most of the governorate areas. However, prices stabilized in the highest price areas e.g. coast strip area (B) at KD 880 in Q1 and KD 650 in Masayel area. Prices stabilized also in Sabah Al-Salem area – existing government houses and residential plots at KD 640 / M2.

Prices are still stabilized in Addan area at levels not exceeding KD 600 per square meter while they increase in Funaites area by 1.6%. Prices did not witness any change in Qosour and Mubarak Al-Kabeer areas compared to Q4 2017 as they stabilized at KD 550 in Q1 2018.

Prices stabilized at the lowest price areas e.g. Qurain area for the second quarter respectively at little more than KD 540 / M2. Prices increased in Abu-Fatira residential area by 1.3% compared to Q4.

Figure (15) Average price meter for the Private Residence in Mubarak Al Kabeer Governorate Q4 2017, Q1 2018

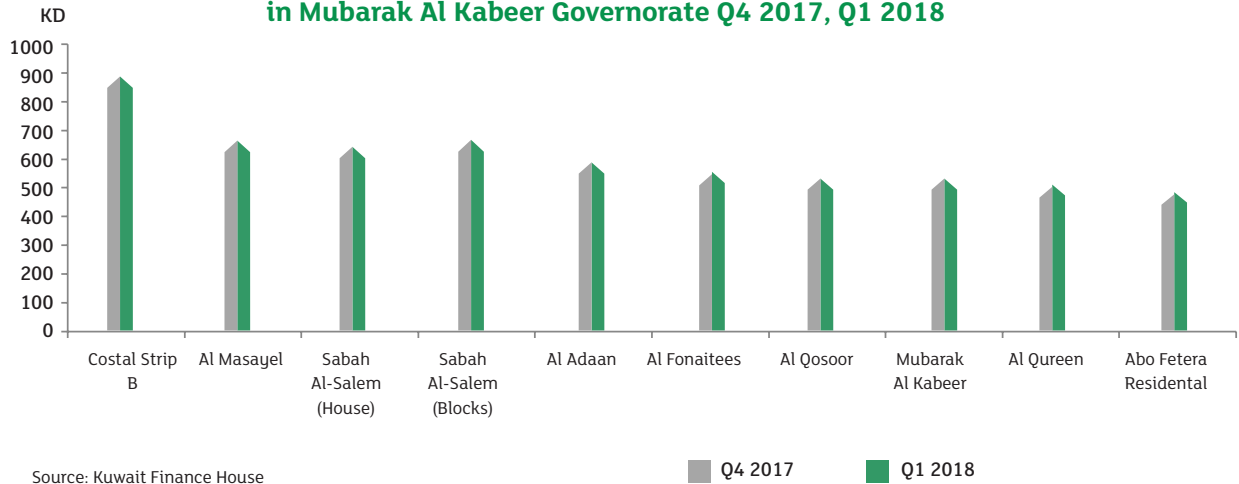


Table (5): Residential Plot Prices at Mubarak Al Kabeer Governorate

Region	Area m ²	Building %	Street	Land Market Value (KD)		Market Value / m ² (KD)		Average price / m ² Q1 2018
				From	To	From	To	
Masayel	400	210 %	Internal	230,000	280,000	575	700	638
	500	210 %	Main	310,000	350,000	620	700	660
General Average in the Area				267,500	316,250	598	708	653
Coast Strip B	1,000	150 %	Internal	450,000	600,000	450	600	525
	2,000	150 %	Marine	2,500,000	2,900,000	1,250	1,450	1,350
General Average in the Area				1,233,333	1,433,333	817	950	883
Abu Fatira Residential	400	210 %	Internal	195,000	240,000	488	600	544
	500	210 %	Main	245,000	300,000	490	600	545
General Average in the Area				217,500	262,500	487	588	537
Funaites	400	210 %	Internal	200,000	245,000	500	613	556
	500	210 %	Main	255,000	310,000	510	620	565
General Average in the Area				228,750	271,250	513	607	560
Addan	400	210 %	Main	250,000	270,000	625	675	650
	500	210 %	Internal	195,000	240,000	488	600	544
General Average in the Area				223,750	255,000	559	638	598

Source: Kuwait Finance House

Ahmadi Governorate

Average price per square meter in Ahmadi governorate stabilized as it recorded KD 457 as at the end of Q1 2018 and did not witness any change compared to its levels in the preceding quarter. On annual basis average price increased in Q1 2018 by 0.50%. Price levels have recorded an increase for the second time respectively after their continuing decline since Q1 2015.

Average price per meter did not witness any change for the second quarter respectively in most of the private residence areas in Ahmadi governorate as at the end of Q1 2018 compared to Q4 2017. Average price per meter stabilized in the governorate areas at KD 1200 e.g. coastal strip area which is considered one of the highest price areas in the governorate. Average price stabilized also at KD 800 at the coastal strip area – main southern sites as well as in Fahad AlAhmed area, thus recording KD 600 per square meter during Q1 2018.

Eqaila area was also one of the areas that have recorded stability in prices. Prices at Mangaf residential area did not witness any change from Q4 2017. Prices stabilized at the souther coastal strip.

Prices stabilized in most of the average value areas in the governorate and other areas in which price per meter is less that KD 450 e.g. several places in Fahaheel areas in which prices stabilized including Hadiya area. Prices stabilized in Dhaher areas and the houses existing in Jaber Al-Ali area where price per square meter reached KD 440/-

Prices stabilized in the lowest price areas e.g. agricultural Fintas and Riqqa at approximately KD 400 and some places in Sabahiya Area. Prices stabilized also in Khairan Pearl at approximately KD 350 in Q1.

Prices stabilized at the lowest price areas in the governorate e.g. Wafra at approximately KD 250 and in several loations of Sabah Al-Ahmed Marine Areas. Prices stabilized in Khairan Residential Area at more than KD 150 in Q1 this year.

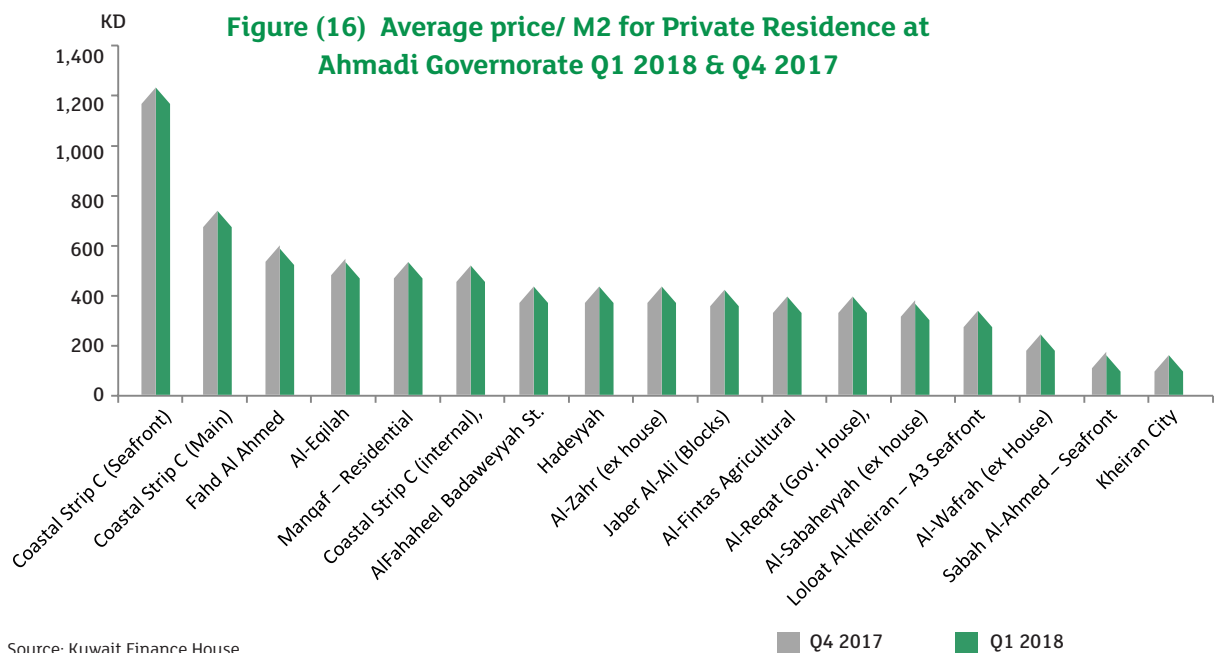


Table (6): Residential Plot Prices at Ahmadi Governorate

Region	Area m ²	Building %	Street	Land Market Value (KD)		Market Value / m ² (KD)		Average Price / m ² Q1 2018
				From	To	From	To	
Fintas Agricultural	210%	1,000	Internal	320,000	400,000	320	400	360
	210%	1,000	Main	400,000	500,000	400	500	450
Hadiya	210%	750	Internal	260,000	330,000	347	440	393
	210%	750	Main	340,000	400,000	453	533	493
Aqaila	210%	400	Main	220,000	270,000	550	675	613
	210%	500	Main	255,000	300,000	510	600	555
Coast Strip (S) Overlooking Sea	150%	2,000	Marine	2,400,000	2,700,000	1,200	1,350	1,275
Coast Strip (S) Overlooking Internal Road	150%	750	Internal	350,000	450,000	467	600	533
Khairan Residential	210%	400	-	50,000	75,000	125	188	156
Sabah Al Ahmad Marine A1 Overlooking Sea	210%	1,200	Marine	185,000	230,000	154	192	173
Sabah Al Ahmad Marine A2 Overlooking Sea	210%	450	Marine	145,000	165,000	322	367	344
Khiran Pearl Overlooking Sea A3	210%	450	Marine	145,000	165,000	322	367	344
Mangaf Residential	210%	375	Internal	160,000	200,000	427	533	480
	210%	400	Main	215,000	250,000	538	625	581

Source: Kuwait Finance House

Jahra Governorate

Average price per meter stabilized in Jahra governorate, thus recording KD 442 as at the end of Q1 and did not witness any change from price levels in Q4 2017 as prices have improved since the beginning of last years on quarterly basis. Prices have increased for the second time respectively on annual basis. The said increase reached 4.7% as at the end of Q1 this year following an annual decline for a long period.

Prices stabilized in the highest price residential areas in the governorate e.g. Mutlaa street, thus recording an average price exceeding KD 450/-. Prices stabilized also in Saad Al-Abdulla and Oyoun areas.

Prices stabilized in most of the governorate areas including Naseem area where average price is less than KD 420 followed by Al-Naeem area regarding prices. Average price is less than KD 400 in Oasis area - Club Street. Prices stabilized also in Al-Qasr area. Prices stabilized also in old Jahraa area which is the lowest price area, at KD 350 in Q4.

Figure (17) Average price/ M2 for Private Residence at Al Jahraa Governorate Q4 2017 - Q1 2018

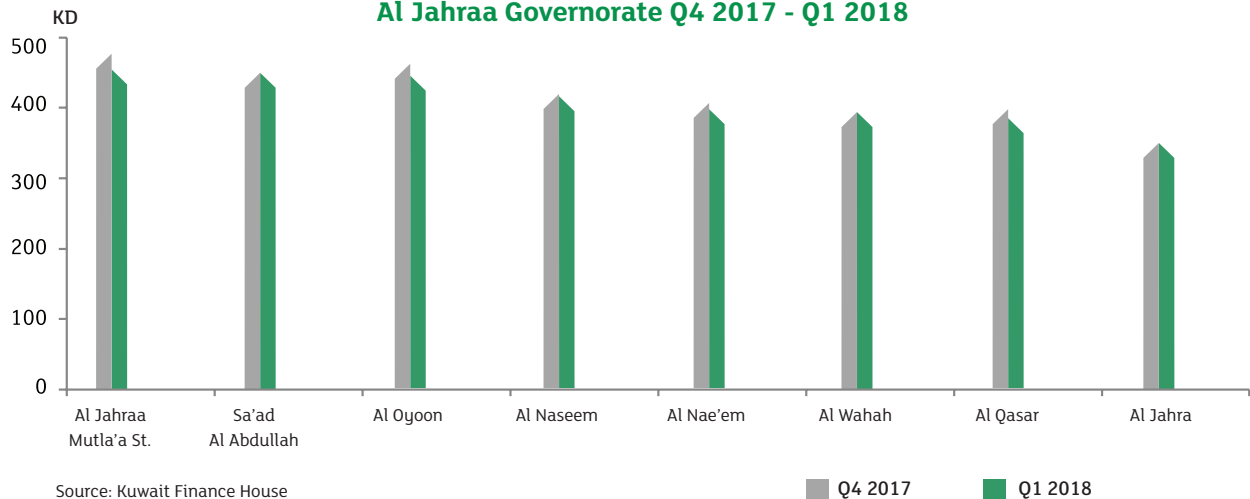


Table (7): Residential Plot Prices at Jahraa Governorate

Region	Area m ²	Building %	Land Market Value (KD)		Market Value / m ² (KD)		Average Price / m ² Q1 2018
			From	To	From	To	
Qasr – Club Street	1,000	210%	425,000	480,000	425	480	453
Qasr (Existing Houses)	600	210%	170,000	210,000	283	350	317
Jahraa – Mutla'a St. - Internal	1,000	210%	425,000	480,000	425	480	453
Na'eem – Plots	400	210%	125,000	170,000	313	425	369
Na'eem – (GVT House)	400	210%	140,000	200,000	350	500	425
Oyouon	298	Up to 800 M2	110,000	155,000	370	521	445
Al Naseem (GVT House) – Main Roads	400	210%	140,000	190,000	350	475	413
Oasis – Existing House	300	Up to 800 M2	100,000	135,000	333	450	392
Saad Al-Abdullah	400	210%	130,000	170,000	325	425	375
Qairawan	400	210%	150,000	190,000	375	475	425

Source: Kuwait Finance House

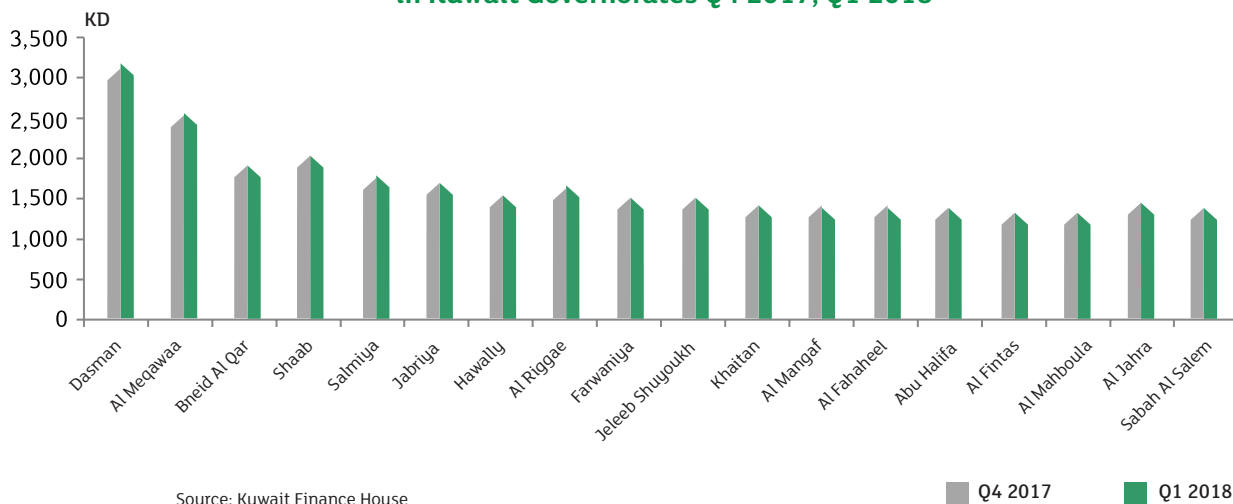
Second: Investment Land Prices

Average price per square meter of investment land reached KD 1,500 at all governorates level as at the end of Q1 this year while average price per meter stabilized relatively during last year. Q1 this year witnessed a slight decline not exceeding 0.50% compared to the preceding quarter. Decline ratio stabilized at 1% during Q1 and the preceding quarter compared to a larger decline 9% & 11% for the same period last year.

Average price recorded a slight increase in Q1 on quarterly basis in Capital Governorate while price levels stabilized in Farwaniya and Jahraa governorates. Prices declined slightly in other governorates, mostly in Ahmadi governorate by 1.7% compared to Q1 last year.

On annual basis, prices witnessed remarkable stability in most governorates, namely capital governorate. Price per meter did not witness any change in Q1 compared to Q4 last year e.g. Farwaniya and Jahraa governorates. Prices declined in other remaining governorates e.g. Hawalli, Mubarak Al-Kabeer and Ahmadi governorates. Average price in Ahmadi governorate witnessed the highest decline ratio among governorates by 3% on annual basis.

Figure (18) Average Price per sqm for Investment Residence properties in Kuwait Governorates Q4 2017, Q1 2018



Source: Kuwait Finance House

■ Q4 2017

■ Q1 2018

Capital Governorate

Concerning prices in each governorate, all prices in capital governorate showed a slight increase at the end of Q1 which did not exceed 1% compared to Q4 2017. Average price per meter reached KD 2,380 in Q1. Price per meter is relatively stable since the end of the preceding year and still the highest at all governorates level. It is noticed that there is an ascending trend in the quarterly change in the average price per meter which has started to improve following the decline trend which has continued for a long period till the beginning of last year. Accordingly, the average price has stabilized at the governorate level compared to Q1 last year which has shown a decline by 7% on annual basis.

Regarding prices at the capital governorate level. Prices in Dasman area have recorded the highest level among capital governorate areas and among all investment areas in other governorates. Average price in this area has approximated KD 3,000 M2 which has increased in Q1 at the area level by 2% on Quarterly basis. Certain places of Gulf Street have witnessed an increase by 4.7% while prices stabilized in most of the areas in Absullah Al-Ahmed street and certain internal places in Dasman area compared to Q4 last year.

Average price in Eastern Maquaa area did not witness any change in Q1 2018 compared to the preceding quarter. Average price stabilized remarkably at the area level, thus approximating KD 2,400. Average price stabilized in investment areas specially those overlooking main roads at Shuhadaa street and certain main areas where price is still exceeding KD 2,600 per meter. Prices stabilized also in internal areas covering 500 M2 in Maquaa areas and in other sites at KD 1,800 in Q1 this year.

Average price in Benaid Al-Qar area declined in Q1 to less than KD 1,800 by 0.50% compared to the preceding quarter. Price levels stabilized in most of the places in the area including the highest price areas of Gulf road at KD 2,900. Prices declined in other places of Istiqlal Street and certain main location at 1.5% compared to Q4 last year. Prices stabilized in internal places of Benaid Al-Qar area. Prices declined in main locations covering 1,000 M2 area of Port Saeed Street by 2% and in internal location by 1% which are considered as the lowest at the area level, prices declined in main sites overlooking first ring road and second ring road as at the end of Q1 this year.

Table (8): Investment Land Prices at Capital Governorate

Region	Area m ²	Building %	Street	Land Market Value (KD)		Market Value / m ² (KD)		Average Price / m ² Q1 2018
				From	To	From	To	
Bneid Al Gar	1,000	250%	Gulf Road	2,800,000	3,000,000	2,800	3,000	2,900
	500	250%	Main	850,000	900,000	1,700	1,800	1,750
	1,000	250%	Internal	1,350,000	1,500,000	1,350	1,500	1,425
	1,000	250%	1 st & 2 nd Ring Road	1,650,000	1,820,000	1,650	1,820	1,735
General Average in the Area				1,452,500	1,587,500	1,699	1,858	1,778
Eastern Muqawa	250	240%	Internal	400,000	500,000	1,600	2,000	1,800
	500	400%	Main	1,250,000	1,375,000	2,500	2,750	2,625
	1,000	400%	Shuhadaa	2,700,000	2,800,000	2,700	2,800	2,750
General Average in the Area				1,368,750	1,476,250	2,263	2,503	2,383
Dasman	1,000	400%	Gulf Road	3,800,000	4,000,000	3,800	4,000	3,900
	1,000	400%	Internal	2,200,000	2,400,000	2,200	2,400	2,300
	750	400%	Abdullah Al-Ahmed	2,000,000	2,100,000	2,667	2,800	2,733
General Average in the Area				2,666,667	2,833,333	2,889	3,067	2,978

Hawalli Governorate

Average price in Hawalli governorate reached KD 1,640 thus recording a slight decline by approximately 0.50% in Q1 this year on quarterly basis. It is noticed that price per meter has continued to decline at these slight ratios during last year. However, these ratios are still better than the ratios which have prevailed in 2016 as they reached 5% in Q4. Accordingly, average price has improved in the governorate, thus recording 1% compared to 8% in Q1 2017.

Average price per meter stabilized in certain investment areas in the governorate e.g. Shaab area in which average price stabilized at the highest level among all governorate areas, thus recording around KD 1,900 in Q1. Prices have stabilized also in other location in the area and in places overlooking Gulf Road with 1,000 M2 area e.g. Shaab area and certain internal places which come next in prices and other locations in Istiqlaal St.

Prices in Salmiya area did not witness any change although they have declined in Q1 by less than 0.50% compared to the preceding quarter. Average price per meter stabilized in the highest price areas e.g. areas overlooking Gulf Road and in the second highest price area e.g. Amr Bin Al-Aas Street. Prices stabilized also in several other locations e.g. Where price ranged KD 1,500 – KD 1,700 and in certain locations of Hamad Al-Mubarak Street, Baghdad Street and Al-Mugheera Bin Shuaba Street. Meanwhile, prices declined in main places covering an area of 750 M2 by 2.4% and internal locations covering 1000 M2 area by 2.4% area.

Prices declined in Jabriya area and reached KD1,572 as at the end of Q1 this year by 1.3% compared to Q4 last year i.e. a decline in average price per meter in most of the places in the area and stability of prices in some other areas. Prices stabilized in the highest price areas overlooking 4th Ring Road while they declined in other places by 1.6%. Prices declined also in places overlooking Maghreb Street by 1.6% and declined also in Shanakel Street by 3%. Prices declined also in internal places of Jabriya with an area of 1,000 m2 by not more than 1% compared to Q4.

Prices stabilized in most of the areas in Hawalli area e.g. places overlooking Cairo Street, Hasan Al-Basri Street and Yarmouk compared to Q4 last year. Prices stabilized also in certain internal places covering 500 M2/ each. Prices stabilized also in some internal sites which are considered as the lowest price areas in Hawalli area with an area ranging 1,000 M2 – 750 M2 in Q1 this year.

Table (9): Investment Land Prices at Hawalli Governorate

Region	Area m ²	Building %	Street	Land Market Value (KD)		Market Value / m ² (KD)		Average Price / m ² Q1 2018
				From	To	From	To	
Hawalli	750	250 %	Muthana	1,000,000	1,125,000	1,333	1,500	1,417
	750	250 %	Qutaiba	1,100,000	1,170,000	1,467	1,560	1,513
	750	250 %	Ahmed Bin Toloun	950,000	1,125,000	1,267	1,500	1,383
	750	250 %	Maghrib	1,150,000	1,200,000	1,533	1,600	1,567
	750	250 %	Sharhabeel	975,000	1,125,000	1,300	1,500	1,400
	1,000	250 %	Internal	1,150,000	1,350,000	1,150	1,350	1,250
General Average in the Area				1,038,333	1,163,000	1,357	1,521	1,439
Al Salmiya	1,000	250 %	Gulf	2,700,000	3,000,000	2,700	3,000	2,850
	750	250 %	Baghdad	1,180,000	1,250,000	1,573	1,667	1,620
	750	250 %	Amman	1,150,000	1,200,000	1,533	1,600	1,567
	750	250 %	Bahrain	1,200,000	1,250,000	1,600	1,667	1,633
	750	250 %	Amr Bin Aas	1,250,000	1,400,000	1,667	1,867	1,767
	1,000	250 %	Main	1,500,000	1,550,000	1,500	1,550	1,525
	1,000	250 %	Internal	1,250,000	1,450,000	1,250	1,450	1,350
General Average in the Area				1,226,250	1,320,313	1,586	1,707	1,646
Al Shaab	1,000	250 %	Gulf	2,800,000	3,050,000	2,800	3,050	2,925
	750	250 %	Internal	1,050,000	1,230,000	1,400	1,640	1,520
General Average in the Area				1,717,500	1,895,000	1,805	1,998	1,901
Al Jaberiya	1,000	250 %	4 th Ring Road	1,650,000	1,700,000	1,650	1,700	1,675
	1,000	250 %	Maghrib	1,500,000	1,600,000	1,500	1,600	1,550
	1,000	250 %	McDonalds	1,650,000	1,750,000	1,650	1,750	1,700
	750	250 %	Internal	1,000,000	1,150,000	1,333	1,533	1,433
General Average in the Area				1,418,750	1,537,500	1,508	1,635	1,572

Source: Kuwait Finance House

Farwaniya Governorate

Average price per square meter stabilized in Farwaniya governorate at KD 1,417/- in Q1 2018 and during last year. Stability is clearly noticed since that period following the significant decline in prices earlier. Accordingly, average price per meter did not witness any change on annual basis in Q1 although it had witnessed a limited decline by 1.5% during the same period last year.

Prices stabilized in most of the areas in Farwaniya Governorate e.g. Riqqa'e are which is considered as the highest price area at the governorate while prices stabilized in various locations overlooking 5th ring road and main and internal areas and some locations opposite 4th ring road.

Average price stabilized in Farwaniya and certain places overlooking airport road in addition to the main locations and other less priced main locations. Prices in Jaleeb Al-Shoyoukh did not witness any change compared to Q4 last year while average price stabilized at places overlooking 6th ring road and other main and internal locations as well as the 500 M2 locations. Prices stabilized also in several sites of Khaitan area e.g. the main and internal streets while prices stabilized in most of the locations overlooking the airport road and in certain places and internal streets in the area.

Table (10) Investment Land Prices at Farwaniya Governorate

Region	Area m ²	Building %	Street	Land Market Value (KD)		Market Value / m ² (KD)		Average Price / m ² Q1 2018
				From	To	From	To	
Farwaniya	750	250 %	Airport	1,050,000	1,165,000	1,400	1,553	1,477
	750	250 %	6 th Ring	1,050,000	1,130,000	1,400	1,507	1,453
	1,000	250 %	Internal	1,100,000	1,250,000	1,100	1,250	1,175
	500	250 %	Main	750,000	800,000	1,500	1,600	1,550
General Average in the Area				1,042,857	1,142,143	1,343	1,473	1,408
Khaitan	750	250 %	6 th Ring	1,050,000	1,130,000	1,400	1,507	1,453
	1,000	250 %	Internal	1,100,000	1,250,000	1,100	1,250	1,175
	600	250 %	Internal	750,000	840,000	1,250	1,400	1,325
General Average in the Area				1,030,000	1,138,000	1,257	1,390	1,323
Jaleeb Al Shuyoukh	750	250 %	6 th Ring	1,050,000	1,130,000	1,400	1,507	1,453
	750	250 %	Police Station	1,040,000	1,130,000	1,387	1,507	1,447
	750	250 %	Main	1,000,000	1,100,000	1,333	1,467	1,400
	500	250 %	Internal	625,000	750,000	1,250	1,500	1,375
General Average in the Area				908,625	1,007,500	1,322	1,473	1,397
Al Raqei	750	250 %	4 th Ring	1,200,000	1,230,000	1,600	1,640	1,620
	1,000	250 %	5 th Ring	1,550,000	1,600,000	1,550	1,600	1,575
	1,000	250 %	4 th Ring	1,550,000	1,600,000	1,550	1,600	1,575
	750	250 %	Internal Main	1,050,000	1,160,000	1,400	1,547	1,473
General Average in the Area				1,171,429	1,252,857	1,481	1,599	1,540

Mubarak Al-Kabeer Governorate

Average price per meter in Mubarak Al-Kabeer governorate reached at KD 1,291/- in Q1 2018 i.e. a decline by 1.2%. Accordingly, prices declined on annual basis by 2% in Q1 compared to a decline by 8% for the same period 2017.

Prices stabilized in most of the locations in Sabah Al-Salem area in Q1. Prices declined in most of the locations at limited ratios compared to Q4. Price per meter in locations overlooking Fahaheel road declined by 3.2%. In certain locations overlooking 6th ring road prices declined by 4.3%. Meanwhile prices stabilized in certain internal locations of the area. Prices stabilized also in a 750 M2 areas in main streets in Sabah Al-Salem Street.

Table (11) Investment Land Prices at Mubarak Al Kabeer Governorate

Region	Area m ²	Building %	Street	Land Market Value (KD)		Market Value / m ² (KD)		Average Price / m ² Q1 2018
				From	To	From	To	
Sabah Al Salem	750	250%	Internal	825,000	940,000	1,100	1,253	1,177
	1,000	250%	Main	1,250,000	1,400,000	1,250	1,400	1,325
	1,000	250%	Fahaheel	1,400,000	1,500,000	1,400	1,500	1,450
	500	170%	6 th Ring	500,000	550,000	1,000	1,100	1,050
General Average in the Area				1,075,000	1,177,143	1,231	1,350	1,291

Source: Kuwait Finance House

Ahmadi Governorate

Average price per square meter in Ahmadi Governorate recorded KD 1,260/- as at the end of Q1 2018. This price is considered the lowest among investment areas in other Kuwait Governorates. Price per square meter declined by 1.7% in Q1 2018 compared to a decline by 0.5% for the same period last year. Accordingly, annual price change ratios have taken the ascending trend, thus declining by 3% in Q1 2018 compared to a decline by 12% for the same period last year.

Prices declined in most of the governorate areas including Fahaheel area in which average price per meter declined to reach KD 1,300/- while prices declined in most of the location in the area. Average price declined in main streets by 3.4% and in Mecca street by 1.7%. These streets are considered the highest price streets in the area, while it stabilized in Badawiya street, and declined in some internal areas that have an area of 1,000 m² when reached KD 1,075 per m².

Prices at Mangaf area comes second among the investment areas in Ahmadi governorate prices declined in Q1 to KD 1,922 compared to KD1,300 in Q4 2017, with a limited decline for most areas, while prices stabilized in locations from the coastal strip which considered the highest, while it declined at some places from Mecca st by 2.4%, and stabled at main location from Fahaheel road, while prices declined at the area which has lowest prices by 4.8% compared to Q4 2017.

Prices declined at Abo Helifa area by 1.4%, with a decline at some locations and stable for others. Prices have not changed at those areas which have highest prices like costal road and other main places at the same location, while it declined at the internal locations reaching the highest decline by 4.6% at the internal area has lowest prices.

Prices declined also at the Finats area level by 1.5% i.e. a limited decline ratio in some internal locations while other locations of the coast road did not witness any change compared to Q4. These prices are considered as the highest among the area locations. Mahboola are is still the lowest price among the governorate areas. Price declined by 1.5%. There is a limited decline in prices in most of the area locations including internal locations of 750 M2 area. They have declined by 4.6%. Some other internal locations of 1,000 M2 area declined by 2.5% compared to Q4 2017.

 **Table (12) Investment Land Prices at Ahmadi Governorate**

Region	Area m ²	Building %	Street	Land Market Value (KD)		Market Value / m ² (KD)		Average Price / m ² Q1 2018
				From	To	From	To	
Al Fintas	750	250%	Fahaheel	950,000	1,020,000	1,267	1,360	1,313
	750	250%	Main	850,000	975,000	1,133	1,300	1,217
	1,000	250%	Coast	1,600,000	1,650,000	1,600	1,650	1,625
General Average in the Area				912,500	1,044,167	1,142	1,312	1,227
Abu Halifa	500	250%	Internal	550,000	650,000	1,100	1,300	1,200
	750	250%	Main	850,000	975,000	1,133	1,300	1,217
	1,000	250%	Coast	1,600,000	1,650,000	1,600	1,650	1,625
General Average in the Area				918,750	1,036,250	1,183	1,353	1,268
Mangaf	500	250%	Internal	570,000	675,000	1,140	1,350	1,245
	750	350%	Main	1,000,000	1,050,000	1,333	1,400	1,367
	1,000	250%	Main	1,650,000	1,700,000	1,650	1,700	1,675
General Average in the Area				967,143	1,075,000	1,222	1,362	1,292
Mahboula	500	250%	Internal	550,000	650,000	1,100	1,300	1,200
	750	250%	Main	850,000	975,000	1,133	1,300	1,217
	750	250%	Fahaheel	950,000	1,020,000	1,267	1,360	1,313
	1,000	250%	Coast	1,600,000	1,650,000	1,600	1,650	1,625
General Average in the Area				950,000	1,020,000	1,267	1,360	1,313
Fahaheel	500	250%	Internal	600,000	675,000	1,200	1,350	1,275
	750	250%	Main	900,000	1,050,000	1,200	1,400	1,300
	1,000	250%	Mecca	1,400,000	1,450,000	1,400	1,450	1,425
General Average in the Area				896,429	1,018,571	1,205	1,365	1,285

Source: Kuwait Finance House

Jahra Governorate

Prices stabilized in Jahra governorate at KD 1,342/- in Q4 2017. The decline in average price per meter stabilized in Q4 and no change was noticed compared to 2016.

Average price per meter stabilized remarkably in investment areas of the governorate which comes on the back of the stability witnessed in most of the areas including water Station Street and several main locations in the area. Prices stabilized also in average price areas covering 500 m² in investment areas and internal and main locations as at the end of Q1 2018 compared to Q4 2017.

Table (13) Investment land Prices at Jahraa Governorate

Region	Area m ²	Building %	Street	Land Market Value (KD)		Market Value / m ² (KD)		Average Price / m ² Q1 2018
				From	To	From	To	
Al Jahraa	1,000	250 %	Internal	1,050,000	1,240,000	1,050	1,240	1,145
	1,000	250 %	Main	1,250,000	1,400,000	1,250	1,400	1,325
	800	250 %	Khuzami St. (water station)	1,150,000	1,220,000	1,438	1,525	1,481
	500	250 %	Main	700,000	780,000	1,400	1,560	1,480
General Average in the Area				940,000	1,066,667	1,258	1,425	1,342

Source: Kuwait Finance House

Annual rate of return on Investment properties

Investment real estate are considered a competitive income generating investment compared to other investment opportunities. Returns stabilized in Q1 2018 at governorates level this year in most of the governorates to reach 7.3% to 8.5% at Kuwait governorates level. Investment real estate returns are still increasing more than commercial real estate returns in most of the governorates. Returns on investment real estates in Capital Governorate reached 7.3% while in Hawalli governorate it approximated 7.9% in Q1 2018.

Average return reached 8.2% in Farwaniya governorate and slightly exceeded the rate of return on commercial real estates in the governorate. The rate of return on investment real estates stabilized significantly in the governorate. Average return in Ahmadi governorate reached 8.4% and reached 8.2% in Mubarak Al-Kabeer and Jahra governorates.

Table (14) Annual Rate of Return (ARR) on Investment Properties in Certain Areas in Kuwait

Governorate	Region	Area m ²	Building %	Site	Sale Return/Annual Real Estate Income % Q1 2018		
					From	To	Average
Capital	Bneid Al Gar	1,000	250 %	Gulf	6.50%	7.00%	6.75%
	Bneid Al Gar	1,000	250 %	Istiqlal	7.50%	7.50%	7.50%
	Eastern Maqwa	250	240 %	Internal	6.50%	7.00%	6.75%
	Dasman	1,000	400 %	Gulf	6.50%	7.00%	6.75%
Hawalli	Hawalli	750	250 %	Muthana	8.00%	8.25%	8.13%
	Hawalli	1,000	250 %	Mousa Bin Nasir	8.00%	8.25%	8.13%
	Salmiya	1,000	250 %	Gulf	6.50%	7.00%	6.75%
	Salmiya	1,000	250 %	Hamad Mubarak	7.75%	8.00%	7.88%
	Shaab	1,000	250 %	Gulf	6.50%	7.00%	6.75%
	Shaab	1,000	250 %	Internal	7.75%	8.00%	7.88%
Farwaniya	Farwaniya	1,000	250 %	Airport	8.00%	8.00%	8.00%
	Farwaniya	750	250 %	Internal	8.50%	8.50%	8.50%
	Khaitan	750	250 %	Airport	8.00%	8.00%	8.00%
	Khaitan	750	250 %	Internal	8.50%	8.50%	8.50%
	Raqei	1,000	250 %	5 th Ring	7.75%	8.00%	7.88%
Ahmadi	Fintas	500	250 %	Internal	8.25%	8.50%	8.38%
	Fintas	750	250 %	Main	8.50%	8.75%	8.63%
	Abu-Halifa	500	250 %	Internal	8.25%	8.50%	8.38%
	Abu-Halifa	1,000	250 %	Coast	7.00%	7.50%	7.25%
	Mahboula	750	250 %	Internal	8.50%	8.75%	8.63%
	Mahboula	750	250 %	Fahaheel	8.50%	8.50%	8.50%
	Mahboula	1,000	250 %	Coast	7.00%	7.50%	7.25%
	Fahaheel	500	250 %	Internal	8.25%	8.50%	8.38%
Fahaheel	750	250 %	Main	8.50%	8.50%	8.50%	
Al Jahraa	Jahraa	1,000	250 %	Internal	8.25%	8.50%	8.38%
	Jahraa	800	250 %	Khuzami	8.00%	8.00%	8.00%
Mubarak Al Kabeer	Sabah Al-Salem	500	170 %	Internal	7.50%	7.50%	7.50%
	Sabah Al Salem	1,000	250 %	Internal	8.50%	8.50%	8.50%

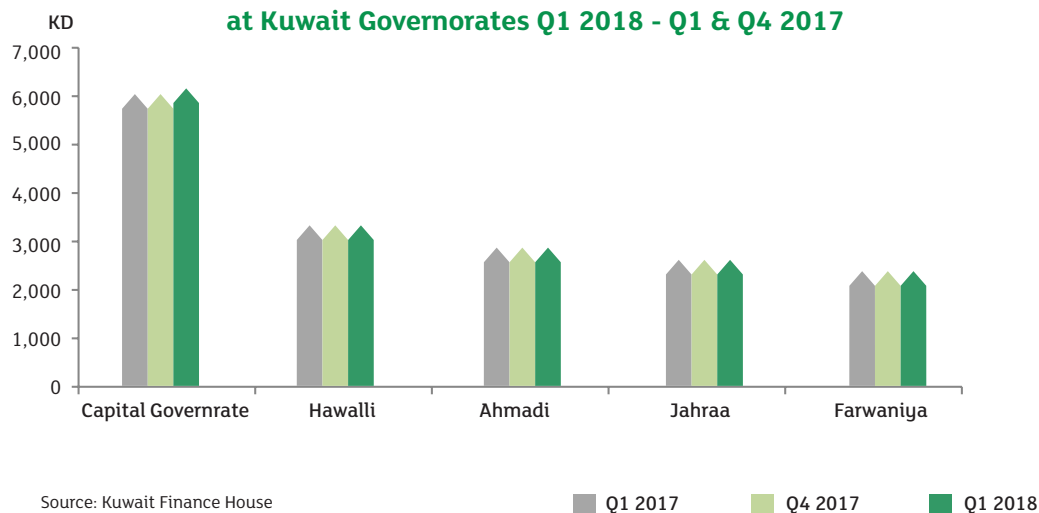
Source: Kuwait Finance House

Third: Commercial Real Estate Prices

Commercial land prices did not witness any change in Q1 2018 at all governorates level. Average price per square meter increased by 0.5% compared to Q4 2017. Average price per square meter recorded KD 3,386 in Q1. On annual basis prices improved by 0.5% compared to Q1 last year.

Accordingly, annual change of average price per meter continues to improve as prices recorded a decline in Q1 last year by 4.4% and still witnessing better ratios compared to results recorded by both residential and investment sectors.

Figure (19) Average price/ M2 of Commercial Real estate at Kuwait Governorates Q1 2018 - Q1 & Q4 2017



Prices in all governorates maintained their stability as at the end of Q1 2018 compared to the preceding quarters. Prices recorded a slight increase in some governorates with a remarkable stability in other governorates. Average price increased in Capital governorate and Ahmadi governorate slightly while prices stabilized in Hawalli , Farwaniya and Jahraa governorates compared to the prices for each of them in Q4 last year.

Capital Governorate

Average price per meter at capital governorate exceeded KD 6,011 as at the end of 2018 with a slight increase by 1.2% compared to Q4 last year. Prices increased by 1% on annual basis, thus maintaining the improvement in annual change ratio at the governorate.

Price levels stabilized in most of the commercial real estate areas in capital governorate. However, there was a slight increase in the highest price areas e.g. city and other sites available in Mubarak Al-Kabeer Street (Exchange Area) by 1% compared to Q4 last year. Prices continued in this level in several sites of Shuhadaa Street. Meanwhile, average price per meter increased in some places of Sharq area e.g. Ahmed Al-Jaber Street and Khaled Bin Al-Waleed Street. Prices stabilized in several locations of Qibla area while they increased in certain locations of Fahad Al-Salem St. by 2.9% and om Ghraballi market by 4.2% compared to Q4 while they stabilized in other locations of the area.

Table (15) Commercial Land Prices at Capital Governorate

Region	Building %	Street	Area m ²	Land Market Value (KD)		Market Value / m ² (KD)		Average Price / m ² Q1 2018
				From	To	From	To	
Qiblah	300 %	Mubarakiya	500	1,350,000	1,950,000	4,500	6,500	5,500
Sharq	520 %	Ahmad Al Jaber	500	4,875,000	5,250,000	6,500	7,000	6,750
City	620 %	Sour	500	4,275,000	4,650,000	5,700	6,200	5,950
City	620 %	Mubarak Al Kabeer Stock Exchange	500	7,000,000	7,700,000	7,000	7,700	7,350
City	300 %	Ali Al-Salem	500	1,500,000	1,875,000	5,000	6,250	5,625
Qibla	520 %	Ali Al-Salem	500	4,275,000	4,500,000	5,700	6,000	5,850

Source: Kuwait Finance House

Hawalli Governorate

Prices stabilized in Hawalli governorate at KD 3,225/- in Q1 and since the beginning of 2017, thus maintaining their stability since the beginning of last year. This can be evidenced in the remarkable stability of the average price per meter which is calculated on annual basis in the governorate. Accordingly, prices stabilized in Q1 2018 compared to the prices for the same period last year which had declined by 8% on annual basis.

Average price stabilized in most of the commercial areas in the governorate e.g. highest price areas including Salem Al-Mubarak Street where price per meter exceeded KD 3,700. Prices stabilized in several locations of Tunis and Beirut streets at an average exceeding KD 3,500/- and in several available places in Othman Street. Prices stabilized also at less than KD 3,000/- in some commercial places at the governorate e.g. several commercial places in Bahrain Street.

Table (16) Commercial Land Prices at Hawalli Governorate

Region	Building %	Street	Area m ²	Land Market Value (KD)		Market Value / m ² (KD)		Average Price / m ² Q1 2018
				From	To	From	To	
Hawalli	180 %	Tunis	1000	3,400,000	3,650,000	3,400	3,650	3,525
	150 %	Othman	750	1,950,000	2,175,000	2,600	2,900	2,750
Salmiya	180 %	Hamad Mubarak	800	2,400,000	2,640,000	3,000	3,300	3,150
	180 %	Salem Mubarak	800	2,400,000	3,600,000	3,000	4,500	3,750
	180 %	Bahrain	500	1,300,000	1,425,000	2,600	2,850	2,725

Source: Kuwait Finance House

Farwaniya Governorate

Prices in Farwaniya governorate did not witness any change in Q1 2018 compared to Q4 2017 as they stabilized at Average price per square meter KD 2,312/- in Q1 which have not witnessed any change since the second half of last year following the descending trend which prices took earlier. Annual decline in prices has stabilized and improved compared to an annual decline by 8.6% in Q1 last year.

Prices did not witness any changes as at the end of Q1 2018 in most of the governorate areas compared to Q4 2017 including high price areas in the governorate e.g. Munawer Street in Farwania and places covering an area of 750 M2. Meanwhile, average price stabilized in locations covering an area of 1,000 M2 in the same area. Prices did not witness any change in several locations of Fire brigade Street.

Prices maintained their levels in Khaitan area in locations falling opposite commercial and office center. Meanwhile, prices stabilized in some places of Jaleeb AlShoyoukh e.g. places available in the Society Street and stabilized in internal streets in the area.

Average price stabilized in most of the places in Dhajeej area e.g. locations overlooking 6th Ring Road and internal locations, in south Khaitan and in Aardiya area e.g. main and internal locations in the area compared to Q4 2017.

Table (17) Commercial Land Prices at Farwaniya Governorate

Region	Building %	Street	Area m ²	Land Market Value (KD)		Market Value / m ² (KD)		Average Price / m ² Q1 2018
				From	To	From	To	
Farwaniya Menawer St.	180 %	Menawer	1,000	4,400,000	4,750,000	4,400	4,750	4,575
Farwaniya Fire Brigade St.	180 %	Fire Brigade St.	800	3,040,000	3,400,000	3,800	4,250	4,025
Jaleeb Al Shuyoukh (Opposite Society)	180 %	Cooperative St.	1,000	2,150,000	2,350,000	2,150	2,350	2,250
Jaleeb Al Shuyoukh (Background)	180 %	Internal	1,000	1,900,000	2,100,000	1,900	2,100	2,000
Dhajeej (5000 m) 6 th Ring Road	50 %	6 th Ring	5,000	5,500,000	6,000,000	1,100	1,200	1,150
Dajeej (South Khaitan)	250 %	Internal	5,000	1,500,000	2,250,000	300	450	375
Ardiya – Warehouses	Ground 80% Mezanin 50%	Main	1,000	1,100,000	1,200,000	1,100	1,200	1,150

Source: Kuwait Finance House

Ahmadi Governorate

Prices stabilized at Ahmadi governorate as at the end of Q1 2018 compared to the preceding quarter, thus exceeding KD 2,806/- in Q1 with a slight improvement in the prices at the governorate by 0.5% compared to Q4. Prices are still maintaining their stability during the year. On annual basis, average price declined slightly by less than 0.5% to reach, thus indicating that it is improving compared to a larger decline which has reached 5.6% in Q1 2017.

Average price in governorate areas price levels have stabilized in most of the commercial locations in the governorate e.g. coast strip places in Fahaheel area, and still exceeding in some sites KD 4,200/- which is the highest price among governorate areas. Next comes prices in Mecca Street which has increased by 1.4% compared to Q4 while prices stabilized in several locations of Dabous Street. Prices did not witness any change in several places of Fahaheel area e.g. Coast Strip. Prices in internal areas have recorded the highest increase among the area locations by 2.6% compared to Q4 2017.

Average price per square meter stabilized in most of the places in the governorate e.g. Fintas area e.g. internal and main streets. Prices did not witness any changes in Azeezia Street at Mangaf and Khiran Pearl which is considered as the lowest price area at the governorate level. Average price in this area e.g. Marina Street reached more than KD 1,000/-. Average price per square meter stabilized in internal places at a lower percentage.

Table (18) Commercial Land Prices at Ahmadi Governorate

Region	Building %	Street	Area m ²	Land Market Value (KD)		Market Value / m ² (KD)		Average Price / m ² Q1 2018
				From	To	From	To	
Mangaf	300%	Aziziya	750	1,312,500	1,612,500	1,750	2,150	1,950
Fintas Admin. & Comm.	180%	Main	1,000	3,200,000	3,600,000	3,200	3,600	3,400
	180%	Internal	1,000	3,000,000	3,400,000	3,000	3,400	3,200
Fahaheel	180%	Internal	750	2,625,000	3,000,000	3,500	4,000	3,750
Fahaheel	180%	Coastal road	750	2,062,500	2,437,500	2,750	3,250	3,000
Fahaheel	180%	Mecca	750	3,000,000	3,375,000	4,000	4,500	4,250
Khiran Pearl	180%	Marina	750	2,625,000	2,850,000	3,500	3,800	3,650

Source: Kuwait Finance House

Jahra Governorate

Average price per square meter in Jahra governorate stabilized at KD 2,575 as at the end of Q1 2018. Accordingly, prices improved on annual basis by 0.5%. Decline ratios recorded by prices have improved compared to an annual decline by 7.2% in Q1 last year.

Price levels stabilized in governorate areas as at the end of Q1 compared to the preceding quarter e.g. highest price places such as the commercial and office center in Jahra. Prices stabilized also in places where price per square meter is less than KD 3,000/- e.g. several places in Jahra area including Marzouq Al-Met'eb Street.

Price levels in Qaisariyat area did not witness any change in Q1 compared to Q4 last year. Average price stabilized in certain places of Jahra area including places with an area of 1,000/- M2 e.g. blocks 21 and 41.

Table (19) Commercial Land Prices at Jahra Governorate

Region	Building %	Street	Area m ²	Land Market Value (KD)		Market Value / m ² (KD)		Average Price / m ² Q1 2018
				From	To	From	To	
Jahraa	50%	Marzouq Al-Met'eb	1,000	2,500,000	2,900,000	2,500	2,900	2,700
Jahraa Admin. & Comm. Center	300%	Admin. & Commercial	875	2,843,750	3,325,000	3,250	3,800	3,525
Jahra - Qaisariyat	300%	Block 20	225	562,500	630,000	2,500	2,800	2,650
Jahraa	50%	Block 21	1,000	1,600,000	2,000,000	1,600	2,000	1,800

Source: Kuwait Finance House

Annual Rate of Return on Commercial Properties

Return ratios on commercial properties improved as at the end of Q1 this year compared to Q4 last year in most of the governorates. Return ratios in some governorates are considered relatively lower than returns on investment real estates except Hawalli governorate in which the return on commercial properties is more than the return on investment properties.

Average return on commercial property in Capital Governorate reached 6.8%. Such ratios have stabilized in Hawalli Governorate, thus recording 7.95% which exceeds the average return of investment real-estate in the same governorate, on the back of increased expectations related to the future of business and office sector, especially in the significant areas, average return reached more than 8.1% in some distinguished areas like Salmiya, and Hawalli.

Average return on commercial properties at Capital governorate reached 6.9%. Return ratios stabilized at Hawalli governorate, thus recording 7.93% which is higher than the return on investment properties in the governorate due to the higher prospects related to the future of offices sector, especially the attraction area where average return stabilized in some distinguished places in the governorate at 8.1% e.g. Salmiya and Hawalli areas.

Average return on commercial properties reached 8.1% in Farwaniya governorate and reached 8.4% in certain internal areas therein e.g. Jaleeb Al-Shoyoukh and Dhajeej. Average return on commercial properties stabilized also in Jahraa governorate, thus recording 7.9% and exceeded 8.1% in Jahra commercial area which is one of the distinguished areas in the governorate. Average return on commercial properties reached 7.96% in Ahmadi governorate and exceeded 8% in Fintas and Fahaheel. Also it exceeded 8.2% in certain distinguished places e.g. Mangaf area.

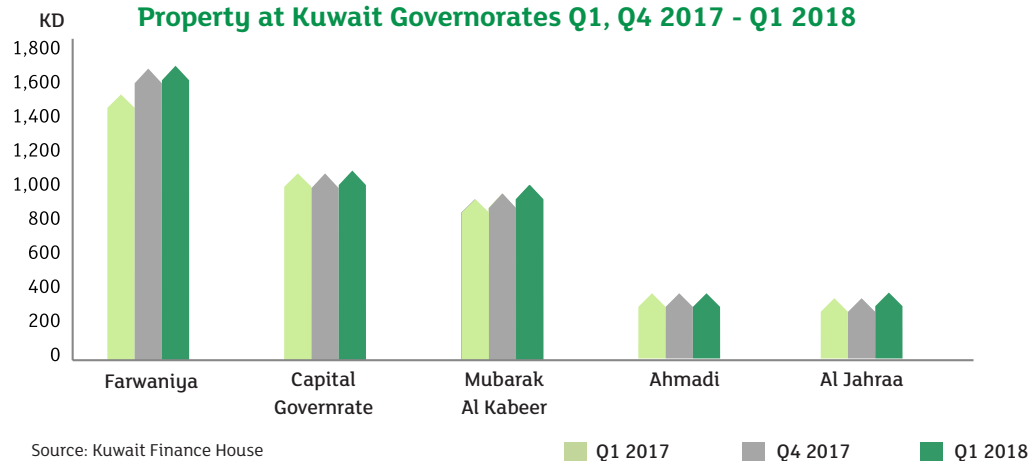
Table (20) Annual Rate of Return (ARR) on Commercial Properties in Certain Kuwait Areas

Governorate	Region	Building %	Street	Average Annual Return % Q1 2018		
				From	To	Average
Capital	Qiblah	300%	Mubarakiya	6.50%	7.00%	6.75%
	Sharq	520%	Ahmad Al Jaber	6.75%	7.25%	7.00%
	City	620%	Sour	6.75%	7.25%	7.00%
	City	620%	Mubarak Al-Kabeer (Blocks)	6.75%	7.25%	7.00%
	Qibla	620%	Fahad Al-Salem	6.75%	7.25%	7.00%
Hawalli	Hawalli	180%	Tunis	7.75%	8.00%	7.88%
	Hawalli	180%	Beirut	7.75%	8.00%	7.88%
	Hawalli	180%	Ibn Khaldoun	7.75%	8.25%	8.00%
	Salmiya	180%	Hamad Al Mubarak	7.75%	8.00%	7.88%
	Salmiya	180%	Salem Al Mubarak	7.50%	8.00%	7.75%
Farwaniya	Farwaniya Menawer St.	180%	Menawer	7.75%	7.75%	7.75%
	Khaitan (Admin. & Commercial)	300%	Admi. & Comm.	8.00%	8.25%	8.13%
	Jaleeb Shoyoukh – Opposite Cooperative	180%	Coop. St.	8.00%	8.25%	8.13%
	Dhajeej (5000m) Internal	210%	Internal	8.25%	8.50%	8.38%
	Ardiya - warehouses	Ground 80% Mezzanine 50%	Main	8.00%	8.00%	8.00%
Jahraa	Jahraa	180%	Marzouk Al-Mat'aab	7.75%	8.00%	7.88%
	Jahraa (Admin. & Commercial)	300%	(Admin. & Commercial)	7.75%	8.00%	7.88%
	Jahraa - Quisareyat	300%	Plot 20	7.50%	7.75%	7.63%
	Jahraa	50%	Plot 41 A	8.00%	8.00%	8.00%
Ahmadi	Mangaf	300%	Aziziya	8.00%	8.50%	8.25%
	Fintas (Admin. & Commercial)	180%	Internal	8.00%	8.25%	8.13%
	Fahaheel	180%	Internal	8.00%	8.25%	8.13%
	Fahaheel	280%	Mecca	7.75%	8.00%	7.88%

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

Average price per square meter of industrial plots reached more than KD 900/- at the governorates level, thus recording KD 911 as at the end of Q1 i.e. an increase by 2.3% compared to Q4 last year. Prices in real estate sector continued to ascend since the beginning of last year. Prices increased in most of the industrial plots including those falling at Capital Governorate which have recorded a limited increase. Prices stabilized at Farwaniya governorate and in industrial plots in Ahmadi governorate compared to Q4 last year. Prices increased in industrial plots of Mubarak Al-Kabeer governorate and Jahraa governorate and recorded the highest increase among all governorates. Accordingly, annual growth of average price doubled at the governorates level to record 7% in Q1 this year compared to an increase by 4% in Q4. This increase comes on the back of the remarkable increase in the prices in Mubarak Al-Kabeer and the increase in Jahraa governorate followed by an increase in prices in capital governorate. Meanwhile, prices declined in Ahmadi governorate compared to Q1 last year.

Figure (20) Average Market Value/ M2 for Industrial and Handcraft Property at Kuwait Governorates Q1, Q4 2017 - Q1 2018



Source: Kuwait Finance House

Capital Governorate

At various governorates level, average price per square meter in capital governorate increased to reach KD 1,092 as at the end of Q1 2018 i.e. a limited increase by 1.3% compared to Q4. This is the second time where prices record an increase ratio on quarterly basis since its decline in mid 2016. Prices have maintained their stability relatively since the beginning of 2017. Accordingly average price increased by 2% for the second time respectively as it started to recorded positive growth ratios following a decline by 11% recorded on annual basis for the same period last year.

Average price has fluctuated in some industrial areas as at the end of Q1 2018. Prices stabilized in some sites while they increased in some other areas. Prices stabilized in some places of Electricity Street which is considered the highest price area in Industrial Shuwaikh where price per square meter increased to reach KD 1,450 as at the end of Q1 2018. Prices stabilized also in Electricity Street and Decoration Street compared to Q4. This area is considered as the second highest price area at the governorate level. Meanwhile prices increased in certain places of Canada Dry Street to average KD 1,200/- i.e. an increase by 3.2% compared to Q4 last year.

Prices stabilized in industrial places overlooking 4th Ring Road at KD 950. Prices stabilized also in certain places of Pepsi Street and certain internal areas of Shuwaikh Industrial area, Ghazallie Street and industrial plots in Mohammed Al-Qasem Street. Prices increased in certain internal areas with limited ratio compared to Q4 last year.

 **Table 21: Industrial Plot Prices at Capital Governorate**

Region	Allocation	Area m ²	Building %	Street	Land Market Value (KD)		Average Price / m ² Q1 2018
					From	To	
Industrial Shuwaikh	Showrooms + Industrial	1,000	100% Basement + 80% Ground + 50% Mezzanine	Canadadry St.	1,200,000	1,400,000	1,300
		5,000		Canadadry St.	5,000,000	6,000,000	1,100
		1,000		Shahrazad St.	800,000	850,000	825
		1,000		Decoration St.	1,200,000	1,400,000	1,300
		500		Decoration St.	680,000	775,000	1,455
		500		Electricity St.	1,200,000	1,400,000	1,300
		5,000		Pepsi St.	3,750,000	4,000,000	775
		1,000		4 th Ring Road	900,000	1,000,000	950
		22,500		Internal	9,000,000	12,500,000	478
		1,000		Mohammad Al Qasim	800,000	1,100,000	950
		1,000		Ghazali St.	700,000	800,000	750
General Average in the Area					2,190,833	2,712,500	1,090

Source: Kuwait Finance House

Farwania Governorate

Prices stabilized at Farwaniya governorate where average price per square meter reached KD 1,688 as at the end of Q1 2018. Average price in the governorate is considered as the highest at all governorates level. Price levels have maintained their stability since the mid of last year. On annual basis, price per meter increased for the second time respectively by 9% i.e. the highest increase ratio on annual basis among governorates.

Price per meter has stabilized in industrial areas of the governorate compared to Q4 2017. However, there was a decline in certain other sites. Meanwhile, other areas witnessed an increase in prices compared to Q4. Prices declined in Ardiya hand craft area to less than KD 2,500- which is the highest price in the industrial area. Prices stabilized in some other sites of Ardiya area including those overlooking 5th ring road and certain places opposite Ardiya sotres. Prices declined in the areas opposite Ardiya residential area by 2.9% compared to Q4 2017.

Prices increased in Rai area as at the end of Q1 by 1.9% compared to Q4 last year. Prices stabilized in some locations and increased in some other locations. Prices stabilized in the highest price area which is Safat Al-Ghanem till Al-Nasr Sporting Showroom and some other locations overlooking 4th Ring Road. Prices stabilized also in certain parts of Mohammed Bin Al-Qasem Street. Average price increased in several locations of Ghazalli Street by 3% compared to Q4 last year. Prices stabilized in internal streets of the area and increased in car show room location by 11% compared to Q4 last year.

 **Table 22: Industrial Plot Prices at Farwaniya Governorate**

Region	Allocation	Area m ²	Building %	Site	Street	Land Market Value (KD)		Average Price / m ² Q1 2018
						From	To	
Al Rai	Showrooms + Industrial	1.000	100% Basement + 80% Ground + 50% Mezzanine	Main	Safat Al Ghanim (till Al Nasr Sports)	1,150,000	1,250,000	1,200
		1.000		Main	Ghazali St.	750,000	950,000	850
		4.000		Main	Mohammad Al Qasim	3,400,000	4,250,000	956
General Average in the Area						1,798,333	2,158,333	900
Ardiya Craft Area	Crafts	250	100% Basement + 80% GF + 20% Mezzanine	Main	Opposite Ardiya Stores	630,000	680,000	2,620
		250		Main	Opposite Ardiya Residential	620,000	670,000	2,680
General Average in the Area						587,500	650,000	2,600

Source: Kuwait Finance House

Ahmadi Governorate

Average price per square meter stabilized at KD 385 in Ahmadi governorate and did not witness any change compared to Q4 last year, thus continuing its stability for the fourth quarter respectively with a clear stability in the general trend of quarterly change ratios. However, price levels declined by 1% for the second time on annual basis.

This governorate is the only governorate which has recorded a decline in price levels compared to Q1 last year. Average price stabilized at the end of Q1 2018 compared to Q4 in most of the industrial area at Ahmadi Governorate. Prices stabilized in Fahaheel are at KD 667 as at the end of Q1 which is the highest price among industrial areas in the governorate. Prices stabilized in certain sites of Sultan Center Street and other locations opposite the refineries and internal streets in the area.

Prices stabilized in East Ahmadi industrial area, thus recording KD 379. Prices stabilized in several locations in the area e.g. Mustafa Karam Street as well as several places in the main warehouses area covering an area of 5,000 m² and in certain internal warehouses covering an area 5,000 M² and other sites in the warehouses area covering an area 1,000 M².

Prices stabilized also in low price areas e.g. Shuaiba area and Mina Abdullah at KD 110 as at the end of Q1 2018. Prices stabilized in highest price areas e.g. Jawharat Al-Fanar area, most of the internal places in the area, main places of Eastern Shuiaba area, Mina Abdullah area, gravel storage area, and internal areas of Mina Abdullah.

Table 23: Industrial Plot Prices at Ahmadi Governorate

Region	Allocation	Area m ²	Street	Land Market Value (KD)		Average Price / m ² Q1 2018
				From	To	
West Shuaiba	Industrial	120,000	Behind Gas Station	8,500,000	10,500,000	79
West Shuaiba		10,000	Internal	1,350,000	1,550,000	145
Mina Abdullah		1,000	Fanar	175,000	210,000	193
General Average in the Area				2,721,875	3,254,375	110
Fahaheel	Showrooms + Industrial	1,000	Sultan Center St.	900,000	1,150,000	1,025
		1,000	Opposite Refinery	500,000	600,000	550
		1,000	Internal Streets	350,000	500,000	425
General Average in the Area				583,333	750,000	667
East Ahmadi Industrial Area	Showrooms + Industrial	75,000	Mustafa Karam	4,150,000	4,500,000	577
		5,000	Main	1,600,000	1,750,000	335
General Average in the Area				1,892,500	2,020,500	379

Table 24: Prices of Industrial Plots in Mubarak Al Kabeer Governorate

Region	Allocation	Area m ²	Street	Land Market Value (KD)		Average Price / m ² Q1 2018
				From	To	
Abu Fatira Crafts	Showrooms	1,000	Main	1,900,000	2,000,000	1,950
Abu Fatira Crafts	Handcraft	500	Main	650,000	750,000	1,400
General Average in the Area				1,200,000	1,350,000	1,600
Sabhan	Industrial	1,000	Main	400,000	550,000	475
		1,000	Pepsi	500,000	600,000	550
		5,000	Pepsi	2,000,000	2,250,000	425
General Average in the Area				1,033,333	1,216,667	408

Table 25: Prices of Industrial Plots in Al Jahra Governorate

Region	Allocation	Area m ²	Street	Land Market Value (KD)		Average Price / m ² Q1 2018
				From	To	
Amghara	Major Contractors	10,000	Internal	1,300,000	1,500,000	140
		10,000	Main	1,600,000	1,800,000	170
	Minor Contractors	1,000	Internal	750,000	825,000	158
		1,000	Main	850,000	1,000,000	185
General Average in the Area				809,167	920,833	172
Al Jahraa	Crafts	500	Internal	225,000	300,000	525
		500	Main	155,000	195,000	681
General Average in the Area				197,500	246,250	603

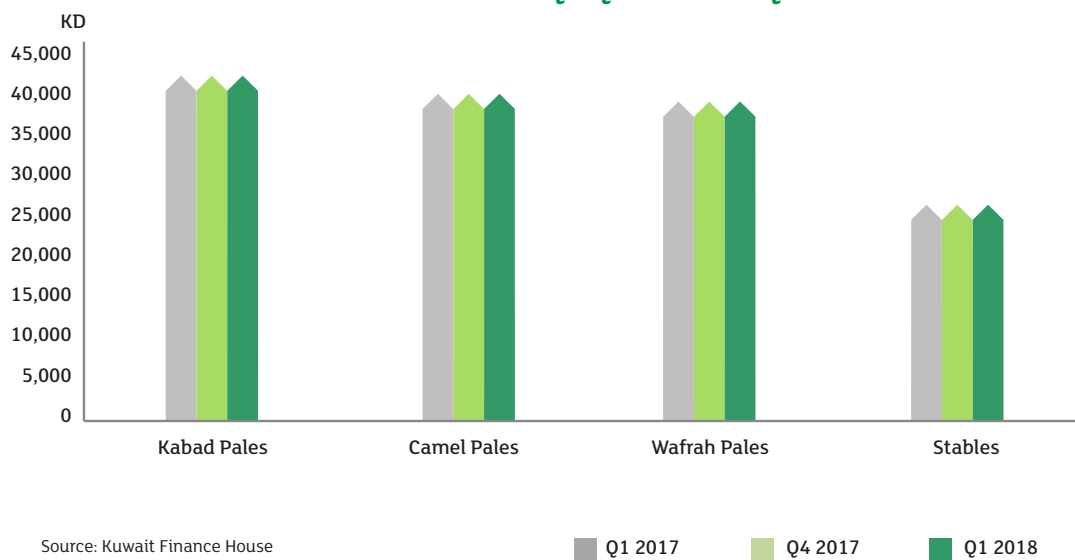
Fifth: Prices of Farms and Livestock Pales

Average prices of livestock pales and stables did not witness any change in Q1 compared to the preceding quarter. Average price stabilized at Kuwait level. Prices stabilized remarkably in most of the stables and pales in Ahmadi governorate. The estimated usufruct price of the land reached KD 36,800. This price did not witness any change as at the end of Q1 2018 compared to average price on annual basis.

Prices stabilized in all governorate areas. Estimated usufruct price of land in a 2,500 M2 area location at Kabd Farms reached KD 42 Thousand. Price per meter in this area is still ranging between KD 16 – 22. Average price per square meter of land in certain locations at the livestock pales area with 1,600 M2 area reached KD 40 Thousand. Price per meter in these areas ranges between KD 22-28. Prices in usufruct land at Wafra farms stabilized as the estimated price for a 2,500 M2 land approximated KD 38.8 Thousand.

Equestrian stables witnessed stability in average price per square meter. Average price per square meter of usufruct land covering an area of 400 – 500 M2 approximated KD 26.5 Thousand. Average price per square meter in internal areas ranged between KD 40 – 50 in a 500 M2 area and ranged KD 60 – 70 in Racecourse and Golf field. Average price in other 400 M2 locations reached KD 70 and reached more in other locations e.g. racecourse.

Figure (21) Average estimated price of usufruct right at Livestock farms and Stables at Ahmadi Governorate Q1-Q4 2017 and Q1 2018



Agricultural Land in Jahra and Ahmadi Governorates

Prices stabilized in the farms area as at the end of Q1 2018 compared to the preceding quarter. Average estimated price per square meter of usufruct land recorded K.D 3 in agricultural land in Kuwait governorates in Q1 2018. Average price stabilized at KD 3.5 in land covering an area of 50,000 M2, KD 2.4 per meter for land covering 100 thousand M2. Prices stabilized in land covering 1 Million M2 at KD 3.4 M2. Average price per meter stabilized significantly in Ahmadi Governorate at KD 2.7 per meter and stabilized in and stabilized at KD 3.2 in Jahra as at the end of Q1 2018.

Estimated average price for usufruct land in Jahra governorate ranged between KD 900 thousand – KD 1 Million as per areas and locations. Prices stabilized in most of the agricultural areas in the governorate. Average price per square meter of usufruct land covering an area of 1 million square meters in the livestock farm at Sulaibiya area approximated KD 3.4 Million. Average price of usufruct land approximated KD 290 thousand in farms covering an area of 50 thousand square meter. Estimated price of usufruct land in agricultural land in Abdali – Mutlaa Road for a land covering an area of 100 thousand square meters reached KD 175 Thousand in Q1 2018.

Meanwhile, estimated average price per square meter in agricultural land in Ahmadi governorate - Wafra area covering an area of 100 thousand meters stabilized. Prices in areas covering an area of 50 thousand stabilized also as at the end of Q1 2018.

Table 26: Prices of Farms and Livestock Pales

Governorate	Region	Area m ²	Site	Estimated Plot Usufruct Price (KD)		Price / m ² (KD)		** A/P Q1 2018
				From	To	From	To	
Ahmadi	Kabd Pales	2,500	Internal	40,000	50,000	16	20	45,000
	Kabd Pales	2,500	Main	50,000	55,000	20	22	52,500
	Equestrian Stables –Ahmadi	500	Internal	20,000	25,000	40	50	22,500
		500	Racecourse + Golf	30,000	35,000	60	70	32,500
	Wafra Farms	2,500	Internal	30,000	40,000	12	16	35,000
		2,500	Main	40,000	45,000	16	18	42,500

** A/P = Average Plot Price in KD

Source: Kuwait Finance House

Sixth: Chalet Prices

Quarter 1 2018 has coincided with the beginning of winter season. This could be the reason behind the decrease in demand on this type of land. Also, this could explain the stability in average price per square meter in the sea front of the land in addition to the stability which has prevailed during Q1 2018 in the prices of some real estate types.

Average price per square meter at the sea front in Ahmadi governorate reached KD 14.4 Thousand. Prices stabilized in most governorate areas e.g. Benaider and Jelai'a chalets which are considered as highest price areas in the governorate. Prices stabilized in Nuwaiseeb area and Al-Zour which are considered as the lowest price areas. Average price stabilized in several usufruct sites in Khiran and Mina Abdullah compared to Q4 last year. Meanwhile, prices stabilized in average price areas of Dhaba'eya.

Prices did not witness any change in Q1 in capital governorate compared to the preceding quarter. Prices stabilized in governorate areas e.g. Doha area. Prices stabilized in Jahra governorate and in certain chalets of Kazma and Sabbiya areas.

Table 27: Chalet Prices at Al-Ahmadi Governorate

Governorate	Region	Waterfront Length in Meters	Chalet Market Value		Price/Linear Meter - Waterfront (KD)		**A/P / m2 Waterfront Q1 2018
			From	To	From	To	
Ahmadi	Mina Abdullah	20	220,000	280,000	11,000	14,000	12,500
	Dubaeya	20	240,000	300,000	12,000	15,000	13,500
	Julaia	20	400,000	450,000	20,000	22,500	21,250
	Bnaider	20	420,000	480,000	21,000	24,000	22,500
	Al Zour	20	190,000	280,000	9,500	14,000	11,750
	Khairan (beneficiary contract)	20	170,000	240,000	8,500	12,000	10,250
	Nuwaiseeb	20	155,000	200,000	7,750	10,000	8,875

** A/P = Average Price per meter

Source: Kuwait Finance House

Seventh: Occupancy Rates and Rentals

Occupancy rates stabilized at their former levels for all types of investment properties ranging between 87 – 95%. Occupancy rates improved in commercial properties especially in offices located at capital area.

Private Residence Rental Value

Average rental values have fluctuated in various places and areas. Average rental value for a ground floor, 3 bed rooms, a hall, covering an area of 135 m² ranged between KD 400 to KD 520 in a private residence real estate with a total area 400 m² during Q1 2018 at Hawalli where average value reached KD 450/-. Average rental value in Capital governorate reached KD 520/- in certain areas e.g. Yarmouk area. Also, it exceeds this level to reach KD 550 in Qasisia and reaches KD 580/- in certain distinguished areas of the governorate e.g. Mansouria and Kaifan. Average rental value at Farwania ranges between KD 320 – 380 and reaches KD 400 in certain distinguished areas and KD 420/- in more distinguished areas e.g. Eshbilia. Also, it ranges KD 320 – 420 in Ahmadi governorate areas. Average rent ranges KD 350 – 450 in Mubarak Al-Kabeer governorate areas. Average value increases to reach KD 480 in some other areas at Masayel. Rental value in Jahraa area ranged KD 300 – 400 as at the end of Q1 2018.

Rental value for a full floor in a private residence covering an area of 400 meters ranges KD 750 – 850 at Hawalli governorate and reached KD 800 – KD 850 in some distinguished areas and may be little higher to reach KD 900 in more distinguished areas. Rental value ranges between KD 790 – KD 890 in most of Capital governorate areas and may exceed this level to reach KD 1,000/- in certain distinguished areas e.g. Edailia, Faihaa and Rawda. Prices in Farwania governorate ranged between KD 590 – 690 and reached KD 750 in certain distinguished areas.

Average rental value ranges between KD 590 – 690 at Ahmadi governorate and reaches KD 750 in certain distinguished areas. Rental value reaches KD 650 – 750 at Mubarak Al-Kabeer areas including Abu-Fatira area. Also it may be higher to the level of KD 850 in certain distinguished areas e.g. Masayel. Rental value ranges between KD 550 – 650 in Jahraa Governorate and reaches KD 690 in distinguished areas e.g. Old Jahra area.

Average rental value for a full first or second floor at a private residence covering an area 400 meter ranges KD 550 – 650 and reaches KD 800 – KD 850 in distinguished places of Hawalli governorate. The value in Capital governorate ranges between KD 690 – KD 790 in most of the governorate areas and reached KD 850 in certain areas while it exceeded KD 900 in certain distinguished places. Rental value in Farwaniya governorate ranged between KD 490 – 590 and reached more than KD 650 in certain distinguished places in the governorate.

Rental value at Ahmadi governorate ranges between KD 490 – 590 while it exceeds this limit in certain governorate areas. Also, it ranges between KD 550 – 650 in most of the areas of Mubarak Al-Kabeer governorate. Rental value at Jahra governorate ranged KD 450 – 550.

Investment Residence Rental Value

Average rental value of a 2 bed rooms flat and a hall covering an area of 60 m² in capital governorate ranged between KD 300 – 330. Rental value for the same area in Hawalli governorate ranged between KD 270 – 320 and may increase to reach KD 330 in certain areas. Rental value for the same area ranged between KD 280 – 300 in Farwaniya Governorate and KD 250 – 270 in Ahmadi governorate. Rental values recorded KD 280 – 300 at Mubarak Al-Kabeer governorate and KD 270 - 300 at Jahra governorate.

Rental value of a 2 bed rooms flats + a hall covering an area of 70 – 74 m² in Q1 2018 ranged KD 330 – 360 at capital governorate and KD 300 – 350 in Hawalli governorate areas. Rental value ranged between 290 – 330 in Farwaniya governorate and KD 280 – 310 in Ahmadi governorate and reached KD 320/- in Fahaheel. Rental value reached KD 310 – 330 at Mubarak Al-Kabeer governorate and KD 300 – 330 at Jahraa governorate.

Rental value for investment apartments covering an area of 80 – 85 m² ranged between KD 360 – 390 at capital governorate and ranged between KD 330 – 390 at Hawalli governorate areas. Rental value ranged between KD 320 – 370 at Farwaniya governorate areas and ranged KD 310 – 350 at Ahmadi governorate. Rental value approximated KD 360 at Mubarak Al-Kabeer governorate and Jahraa governorates.

Rental value for a flat covering an area of 100 – 110 m² ranged between KD 410 – 440 in Capital governorate areas, KD 380 – 440 for Hawalli governorate areas, KD 390 – 420 in certain areas of Farwaniya governorate while value ranged KD 360 – 400 for Ahmadi governorate. Rental value increased slightly in Mubarak Al-Kabeer area ranging KD 390 – 410 and reached KD 380 – 410 at Jahraa governorate.

Prices differ according to different areas, design type, finishing and location. The property age is considered as a basic factor in determining average rental value of a 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 streets at Hawalli. Also, there are less significant areas e.g. Jaleeb Al Shoyoukh, 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 despite the increase in real estate prices and aiming to improve the ability to settle loans.

Commercial Property Rental Value:

Average rent of a commercial meter in a ground floor ranged KD 20 – KD 45 / m² in Hawalli and reached KD 40/- m² in certain distinguished areas of Kuwait city. Rental value of a commercial meter reached KD 50/- in Salmiya.

Average rent / m² at offices in Mezzanine ranges KD 12 and reaches KD 14 in certain prime areas and grand yards in Hawalli. Also it has reached KD 16/- in certain areas of Capital governorate. Price reached KD 12-14 /m² in certain areas in Hawalli, Fahaheel and reached less than this when recorded KD 10/- in Mangaf . It may reach KD 12 – 16 in certain places in Farwaniya area, depending on location, finishing type and services provided to tenants and visitors.

Industrial Plots Rental Value:

Average rental price per industrial square meter for a ground floor – showrooms – in Shuwaikh and Al-Rai ranged between KD 6.5 – 18. Prices different according to different locations. Average rental price per meter for a ground floor in Ardiya area (warehouses) ranged between KD 6.5 – 7 and exceeds this rang to reach KD 12 – 20 for average price per square meter of ground floor in Ardiya (craft). Average price per square meter in East Ahmadi area ranged between KD 10 – 15 while prices in Fahaheel industrial area ranged KD 12 – 18 per square meter in ground floor.

Table (30): Average Rental Value for a newly built Private Residence in KD covering an area 400 m in various Kuwait Governorates during Q1 2018

Hawalli Governorate	3 Bedrooms, a Hall & 4 Bathroom + Maid Room (1st & 2nd Floor) (135)m		Full Floor (Ground)		Full Floor (1st & 2nd)	
Siddique	420	520	800	900	700	800
Salaam	420	500	800	900	700	800
Hitteen	420	500	800	900	700	800
Shuhadaa	420	500	800	900	700	800
Zahraa	420	500	800	900	700	800
Shaab	450	520	850	950	750	850
Mishrif	400	500	750	850	650	750
Bayan	400	500	750	850	650	750
Mubarak Al-Abdullah	420	520	850	950	750	850
Salwa	350	450	650	750	550	650
Jabriya	400	500	750	850	650	750

Capital Governorate	3 Bedrooms, a Hall & 4 Bathroom + Maid Room (1st & 2nd Floor) (135)m		Full Floor (Ground)		Full Floor (1st & 2nd)	
Edailiya	500	580	950	1050	850	950
Faihaa	500	580	950	1050	850	950
Rawda	500	580	950	1050	850	950
Yarmouk	450	520	850	950	750	850
Keefan	500	580	950	1050	850	950
Mansouriya	500	580	950	1050	850	950
Qadsiya	450	550	850	950	750	850
Da'eya	420	500	790	890	690	790
Dasma	420	500	790	890	690	790
Surrah	420	500	790	890	690	790
Qurtoba	420	500	790	890	690	790
Ghernata	340	420	630	730	530	630
Sulaibikhat	320	400	590	690	490	590

Average Rental Value for a newly built Private Residence in KD covering an area 400 m Kuwait Governorates during Q1 2018

Farwaniya Governorate	3 Bedrooms, a Hall & 4 Bathroom + Maid Room (1st & 2nd Floor) (135)m		Full Floor (Ground)		Full Floor (1st & 2nd)	
Farwaniya	350	400	650	750	550	650
Omaria	350	400	650	750	550	650
Khaitan	350	400	650	750	550	650
Ishbilia	350	420	650	750	550	650
Rabia	320	380	590	690	490	590
Rehaab	320	380	590	690	490	590
Aardiya	320	380	590	690	490	590
Andalus	320	380	590	690	490	590

Ahmadi Governorate	3 Bedrooms, a Hall & 4 Bathroom + Maid Room (1st & 2nd Floor) (135)m		Full Floor (Ground)		Full Floor (1st & 2nd)	
Hadiya	320	400	590	690	490	590
Agaila	350	420	650	750	550	650
Mangaf	320	400	590	690	490	590

Mubarak Al-Kabeer Governorate	3 Bedrooms, a Hall & 4 Bathroom + Maid Room (1st & 2nd Floor) (135)m		Full Floor (Ground)		Full Floor (1st & 2nd)	
Sabah Al-Salem	380	450	710	810	610	710
Masayel	400	480	750	850	650	750
Abu-Fatira – Residential	350	420	650	750	550	650
Addan	350	420	650	750	550	650
Qurain	350	400	650	750	550	650

Jahra Governorate	3 Bedrooms, a Hall & 4 Bathroom + Maid Room (1st & 2nd Floor) (135)m		Full Floor (Ground)		Full Floor (1st & 2nd)	
Old Jahra	320	400	590	690	490	590
Saad Al-Abdullah	300	380	550	650	450	550

Table (31): Average Rental Value Trading Investment Properties in Kuwait Governorates during Q1 2018

Hawalli Governorate	2 Bedrooms, Hall & Bathroom (60)m		2 Bedrooms, Hall & 2 Bathrooms (70 - 74)m		2 Bedrooms, Hall & 2 Bathrooms (80 - 85)m		3 Bedrooms, Hall & Maid Room (100 – 110)m	
Salmiya	280	320	310	350	340	380	390	430
Hawalli	270	300	300	330	330	360	380	410
Jabriya	290	320	320	350	350	380	400	430
Shaab	300	330	330	360	360	390	410	440

Capital Governorate	2 Bedrooms, Hall & Bathroom (60)m		2 Bedrooms, Hall & 2 Bathrooms (70 - 74)m		2 Bedrooms, Hall & 2 Bathrooms (80 - 85)m		3 Bedrooms, Hall & Maid Room (100 – 110)m	
Sharq	300	330	330	360	360	390	410	440
Qibla	300	330	330	360	360	390	410	440
Eastern Muqawa	300	330	330	360	360	390	410	440
Dasman	300	330	330	360	360	390	410	440
Bneid Al Gar	300	330	330	360	360	390	410	440

Farwaniya Governorate	2 Bedrooms, Hall & Bathroom (60)m		2 Bedrooms, Hall & 2 Bathrooms (70 - 74)m		2 Bedrooms, Hall & 2 Bathrooms (80 - 85)m		3 Bedrooms, Hall & Maid Room (100 – 110)m	
Khaitan	280	300	310	330	340	360	390	410
Farwaniya	280	300	310	330	340	360	390	410
Jaleeb Al Shuyoukh	260	290	290	320	320	350	370	400
Raqei	290	310	320	340	350	370	400	420

Average Rental Value Trading Investment Properties in Kuwait Governorates during Q1 2018

Ahmadi Governorate	2 Bedrooms, Hall & Bathroom (60)m		2 Bedrooms, Hall & 2 Bathrooms (70 - 74)m		2 Bedrooms, Hall & 2 Bathrooms (80 - 85)m		3 Bedrooms, Hall & Maid Room (100 – 110)m	
Fintas	260	280	290	310	320	340	370	390
Mahboula	250	270	280	300	310	330	360	380
Abu Halifa	260	280	290	310	320	340	370	390
Mangaf	260	280	290	310	320	340	370	390
Fahaheel	270	290	300	320	330	350	380	400

Mubarak Al Kabeer Governorate	2 Bedrooms, Hall & Bathroom (60)m		2 Bedrooms, Hall & 2 Bathrooms (70 - 74)m		2 Bedrooms, Hall & 2 Bathrooms (80 - 85)m		3 Bedrooms, Hall & Maid Room (100 – 110)m	
Sabah Al Salem	280	300	310	330	340	360	390	410

Jahraa Governorate	2 Bedrooms, Hall & Bathroom (60)m		2 Bedrooms, Hall & 2 Bathrooms (70 - 74)m		2 Bedrooms, Hall & 2 Bathrooms (80 - 85)m		3 Bedrooms, Hall & Maid Room (100 – 110)m	
Al Jahraa	270	300	300	330	330	360	380	410

Tabel (32) Average Rental Value Trading of Commercial Properties at Kuwait Governorates "Q1 2018" (KD)

Areas	Basement	Ground Floor	Mezzanine	Offices
Salmiya	10 - 14	20 - 50	12 - 15	8 - 9
Hawalli	10 - 12	20 - 45	12 - 14	7 - 8
Farwaniya	12 - 15	25 - 55	12 - 16	8 - 9
Khaitan	10 - 14	20 - 45	14 - 12	7 - 8.5
Mangaf - Aziziyah	7 - 8	13 - 25	10	6 - 7
Fahaheel	10 - 16	20 - 50	12 - 14	7 - 9
**Dajeej (Farwaniya)	5 - 6	9 - 14	5 - 6	-
*** Kuwait City	12 - 14	20 - 40	12 - 16	8 - 9.5

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

** Basement as a commercial unit and not a store

*** Administrative and commercial towers

Table (33): Average Rental Value Trading of Industrial Plots at Kuwait Governorates during Q1 2018 (KD) Average Rental price per Square Meter (KD)

Areas	Basement	Ground Floor	Mezzanine	Price Index
Industrial Shuwaikh	3 - 4	6.5 - 18	3.5 - 5	Unit Area = 40 m
Al Rai	3 - 4	6.5 - 18	3.5 - 5	Excluding Rental Values in Avenues Mall
Sabhan	2.5 - 3	3.5 - 6	3 - 4	► Upon Allocating Stores for the GF, Price/m ² Ranges KD 4 - KD 5
Ardiya (Stores)	3 - 4 as per Height	6.5 - 7	3.5 - 4	► Price/m ² = KD 6 - 8 for a 100-m ² Showroom at Ground Floor
Ardiya	3 - 3.5 as per Height	12 - 20	4 - 5	► Price/m ² = KD 6 - 8 for a 100-m ² Showroom at Ground Floor
East Ahmadi	3 - 4	10 - 15	3 - 3.5	Auto Show & Restaurant Rentals are the Highest
Industrial Fahaheel	3 - 4 as per Height	12 - 18	3.5 - 4	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 6-8 m.

This reports highlights the general trends of Kuwait Real estate market trading prices. However, the method applied by the Evaluation and Studies Section at KFH is dependent on the study of each property separately including features, rental value and returns in order to prepare a special recommendation and adequate appraisal of each real estate based on location, age, depreciation, finishing levels, surrounding environment and infrastructure level.

GLOSSARY OF TERMS

Private Residence Buildings

Model single family buildings located in low density areas. These buildings are constructed either by individuals or private sector companies using various architectural designs as provided by various owners, or lands of which were distributed by the state as part of the housing welfare programs using unified or various architectural designs (model)

Investment Residence Building

A building comprising several residential units (apartments – villas – duplex – studios) used fully for leasing or ownership purposes.

Private School Building

Buildings allocated to provide educational services to a single or several learning stages.

Hotels and Motels Buildings

Buildings allocated for temporary lodging for touristic or entertainment purposes or to provide general services to visitors.

Commercial Building

A building in which basement, ground floor and mezzanine are used as commercial shops. These shops may be designed as closely lined up or separate shops in a corridor overlooking the commercial street or in the form of mansions. Recurrent floors may be used as offices or for any other commercial purposes.

Industrial Facilities

Buildings allocated for industrial, storage, service or craftwork purposes.

Residential Complexes Outside and Inside Kuwait City

Buildings allocated for investment residence purposes. These buildings comprise several residential units (apartments – villas – studios – duplex) and used fully for leasing or ownership purposes. These buildings may be in the form of several buildings constructed as one building or several separate buildings provided that the land area on which the complex is constructed is not less than 3000 m². Areas allocated for vision angles shall be computed as part of the area required to construct the complex.

Buildings In Various Coastal Strip Areas

Buildings constructed at the coastal strip by individuals on their own private properties.

Buildings Allocated as Plant Nurseries

Buildings used for growing all types of seedling, sell and display plants and flowers, landscaping and garden maintenance and sell agricultural products. Buildings include seeds and agricultural requirements store in addition to administrative offices.

Special Seafront Chalet

Buildings and facilities constructed outside the general cordon limits as per lease contracts on state owned properties for entertainment purposes.

Private Hospitals

Buildings allocated to provide medical services (outpatient clinics – operation theaters – laboratories – patient rooms and wards). These facilities may provide general or private services.

UNITS OF MEASUREMENT

Length

- The International unit for measuring length is the Meter (M)
- (1 M = 10 DCM = 100 CM = 1000 MM)
- 1 Yard = 3 Feet = 0.9144 M
- 1 Foot = 12 Inches = 30.48 CM = 0.3048 M
- 1 Inch = 2.54 CM = 0.0254 M
- 1 Kilometer = 0.6214 Miles = 1000 M
- 1 Land Mile = 1.6093 Kilometers = 1609.0 M
- 1 Nautical Mile = 6080 Feet = 1.853 Kilometers = 1853 M
- 1 League = 3 Miles = 4.8281 Kilometers = 4828 M
- 1 Boa = 2 Meters approximately
- 1 Fathom = 182.88 CM = 1,8288 M
- 1 Cubit = 51 CM = 0.51 M
- 1 Span = 22.86 CM = 0.0229 M
- 1 Meter = 1.0936 Yard = 3.2808 Feet = 39.37 Inches

Area

- The International unit for measuring length is the Square Meter (M²)
- 1 Hectare = 10 Donum = 2.471 Feddan = 10,000 M²
- Feddan or Acre = 4046.8 M²
- 1 Donam = 1,000 M²
- 1 Square Meter = 10,764 Feet

