



# Kuwait Finance House "KFH"

## Report On Local Real Estate Market Q2 Year 2019



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## Introduction

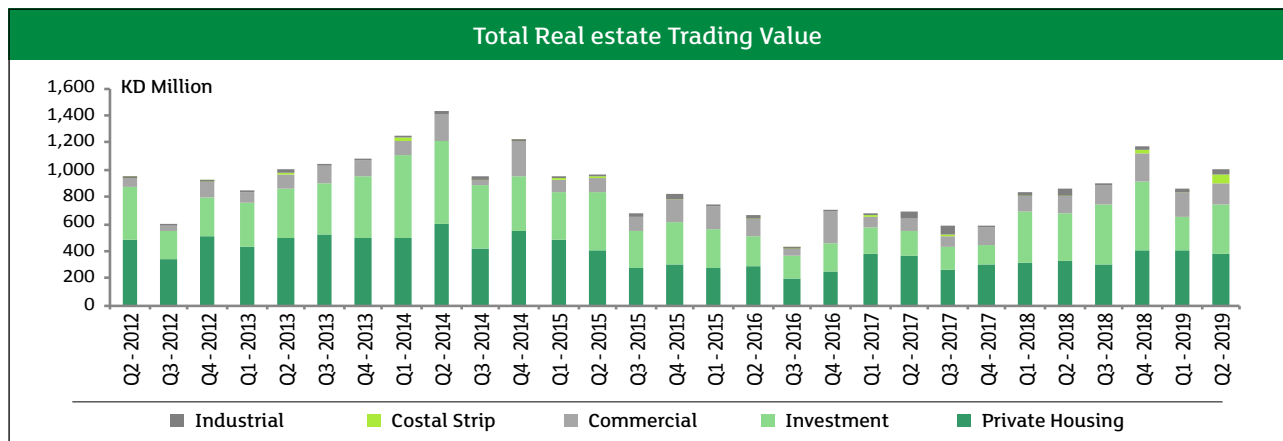
Real estate sector continued its robust performance which it commenced in Q1 this year. Sector sales exceeded KD 1 Billion in Q2, i.e. an increase by 17% compared to the preceding quarter and represents a significant annual increase by 18%. Meanwhile, the number of transactions continued increasing during the last 4 years, thus recording in Q2 the highest increase since 2014. The number of transactions reached 1906 transactions i.e. an increase by 17% on quarterly basis and increased by more than 20% on annual basis.

The robust performance of various sectors has contributed to the improvement of real estate sector sales in Q2 this year compared to the same period last year because of the significant performance of most of the real estate sectors. The commercial real estate sector performance. Commercial real estate performance is still taking the lead with an increase in the value of sales approximating KD 156 Million in Q2. The number of transactions increased 5X on annual basis as it reached an exception level by 245 transactions accompanied by an increase by 22% in value. Residential real estate sales value increased by 20% to reach KD 385 Million while the number of transactions increased by 16% on annual basis to reach 1183 transactions in Q2. Investment sector sales declined to reach KD 353 Million i.e. a decline by 2% on annual basis, accompanied by a decline by 12.8% in the number of transactions which has reached 429 transactions. Value and number indicators have taken the escalating trajectory since Q1 last year.

The escalating trajectory of the real estate sales value continues in the private residence sector despite the slight decline by 5% in Q2 compared to Q1. The sector sales are still at highest levels for the last 4 years. The number of transactions is still at its highest level also for the last 4 years, thus exceeding one thousand transactions despite the decline by 4% compared to the number of transactions in Q1 this year.

The escalating trajectory of investment sector sales has eased since the end of 2018. However, sales in all quarters are still remarkably higher than the sales during the past three years. Sales increased significantly in Q2 by 40% accompanied by a remarkable increase in the number of transactions by 28% compared to Q1.

Commercial sector sales maintained their escalating trajectory just like the other two sectors despite the quarterly decline which has occurred for the second time respectively by 11% compared to Q1. The number of transactions in this sector increased 7X on quarterly basis.



The positive performance of the real estate sector has occurred despite the descending trajectory of the Brent price per barrel during Q2 2019. Prices witnessed an escalating trajectory in the last month of this quarter only. Price per barrel recorded the highest closing price according to Thompson Reuters, thus reaching US\$ 74.6 late April while it closed on US\$ 60 in Mid-June. Brent closing price declined at the end of Q2 to reach US\$ 66.6 i.e. a decline by 2.7% on quarterly basis and 16.2% on annual basis. However, average price per barrel increased in Q2 2019, thus recording US\$ 68.5 per barrel, i.e. an increase by 7% compared to an average price US\$ 63.8 per barrel or 7% compared to US\$ 63.8 per barrel in Q1. Meanwhile, this average is less by 9% compared to the average closing price US\$ 75 per barrel in Q2 2018.

According to the information announced by the Central Statistics Department, the consumer price index exceeded 114 points for the first time as at the end of Q2 2019. Accordingly, prices witnessed a slight inflationary ration by less than 1% on quarterly basis, driven by the increase in prices of the price index components. The only exception was the residential service component which has witnessed a slight decline in prices by 0.25% compared to Q1. Inflation ratio reached 1.1% compared to prices in Q2 last year driven by the variable increase in the prices of basic components. Prices of residential services component declined by less than 1% on annual basis.

Credit granted to the real estate sector as at the end of Q2 2019 increased by 2% on quarterly basis and 6.8% on annual basis, thus exceeding KD 10.6 Billion as at the end of Q2 and represents 28% of granted credit according to CBK information. This increase has driven the banking credit to approximate KD 37.9 Billion as at the end of Q2 2019 i.e. an increase by 1.2% on quarterly basis and 4.8% on annual basis. This increase driven by the increase of credit for certain economic sectors including retail credit facilities. It approximated KD 16 Billion, i.e. a slight increase by 0.5% on quarterly basis and 4.9% on annual basis due to the increase in instalment credit facilities which are granted to individuals to build or renovate residential units in the private housing sector, representing 31% of credit granted as they increased to reach KD 11.8 Million in Q2 i.e. a slight increase compared to the preceding quarter and an increase by 4.2% on annual basis. Credit facilities granted to the real estate sector continue their escalating trajectory.

Credit facilities granted to the real estate activities have increased to reach KD 22.4 Billion as per the information released by the Central Bank of Kuwait i.e. an increase by 1% compared to Q1 and 5.4% on annual basis. The said facilities represent 59.2% of the credit facilities granted by the banking sector in Q2 2019.

Real estate loans, women loans and facilities granted by the Credit Bank of Kuwait reached KD 60.7 Million during Q2 2019 including KD 33 Million granted for the construction of private houses and government plots, KD 15.3 Million to purchase houses, KD 7.9 Million for the handicapped and KD 4.6 Million for expansion and renovation of government and concrete houses. Real estate portfolio loans reached KD 341 Thousand granted for expansion and renovation purposes.

Concerning local real estate prices at the end of Q2 2019, average price per square meter increased to reach KD 644 for the private residence sector at the end of Q2, thus enhancing the escalating trajectory of price changes i.e. an increase by 2.5% on quarterly basis and 6.5% on annual basis. Prices improved in the investment real estate sector, recording an average exceeding KD 1,543 per square meter. However, it is less by 1% on annual basis. Prices continue improving in the commercial real estate sector in Q2, thus reaching KD3,500 per square meter i.e. an increase by 1.7% on quarterly annual basis and 3.1% on annual basis.

The number of real estate sector companies listed in Bursa Kuwait reached 40 companies as at the end of Q2. This sector occupies the second rank after the financial services sector regarding the number of companies according to Kuwait Bourse information. The number of companies in this sector represents 23% of the total number of listed companies which has reached 175 companies in Q2. The sector is still in the 3rd rank with a share reaching 19% of traded shares and a share of 5.8% of the value of traded shares. Also, the sector comes in 3rd rank concerning the value of traded transactions with a share of 14.7%. The share value of 12 companies has increased in Q2.



Market Capital value of real estate sector companies in the main market has reached KD 1.2 Billion as at the end of Q2 i.e. a slight increase by 1.6% compared to Q1 2019 and declined by 10.6% on annual basis. The market capital value of listed companies has increased slightly to reach 33.3 Billion in Q2 i.e. an increase by 2% billion on quarterly basis and higher by 21.4% on annual basis. The capital value of real estate sector companies represented 3.7% as at the end of Q1 and Q2. Meanwhile, the sales value of real estate sector shares increased to reach KD 114 Million in Q2 compared to KD 110 Million in Q1 i.e. an increase by 217% on annual basis. The volume of traded shares declined to reach 1.6 Billion shares i.e. a decline by 34.4% compared to 2.5 Billion shares in Q1 and less by 135% on annual basis. The number of transactions declined to reach 53.4 thousand transactions i.e. a decline by 9.9% compared to 56.6 thousand transactions in Q1 and increased by 160% on annual basis.

The value of shares in Kuwait Bourse increased in Q2 2019 and maintained the exceptional level KD 2 Billion compared to KD 1.9 Billion in Q1 i.e. an increase by 188% on annual basis and 6.1% on quarterly basis. The volume of traded shares declined to 8.5 Billion shares compared to KD 10.1 Billion shares i.e. a decline by 15.6% on quarterly basis. However, the volume increased on annual basis by 140%. The number of transactions increased to reach 363 thousand transactions in Q2 compared to 331 Thousand in Q1 i.e. an increase by 9.5% on quarterly basis and 119% on annual basis, driven by the foreign cash inflows to stock exchange following its upgrade to the emerging market index and listing on the FUTSE Russel Index and the possibility of being reviewed for upgrading rating by Morgan Stanley Index this year. this matter has reflected positively on the trading indices for listed companies.

### Total Real Estate Trading Value

	Private Residence	Investment	Commercial	Coast Strip	Handcraft, Industrial and Warehosuses	Total Sales
Q2 2017	368	184	86	0	57	695
Q3 2017	259	179	74	14	62	587
Q4 2017	306	142	122	0	11	582
Q1 2018	314	378	112	6	21	832
Q2 2018	322	358	128	3	45	857
Q3 2018	307	434	140	0	25	906
Q4 2018	407	506	205	26	23	1,167
Q1 2019	403	253	175	6	27	865
Q2 2019	385	353	156	72	44	1,010

Source: Ministry of Justice - KFH





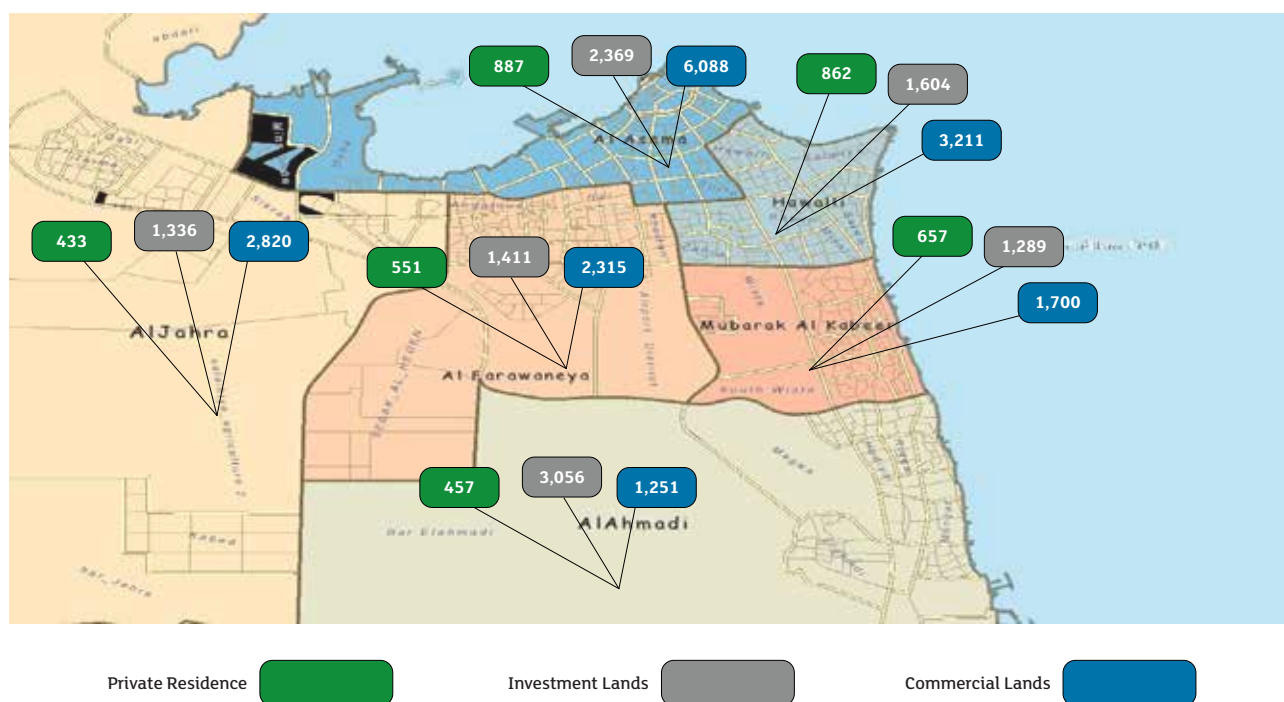
## First: Market Trends

### Land Prices in Q2 2019

Average price per meter in Capital governorate improved in Q2 2019 to approximate KD 890 in the private residence sector, KD 2,370 in the investment sector and exceeded KD 6,100 in the commercial sector in Q2. In Hawalli governorate, average price per square meter increased to reach KD 860 for the private residence sector, stabilized at KD 1,600 for the investment sector and stabilized at KD 3,211 for the commercial sector. In Farwaniya governorate, average price increased to reach KD 550 in the private residence sector while it stabilized at KD 1,410 in the investment sector and reached KD 2,315 in the commercial sector as at the end of Q2 2019.

### Average price per square meter for Real-estate sectors in all governorates Q2 2019

Numbers in KD

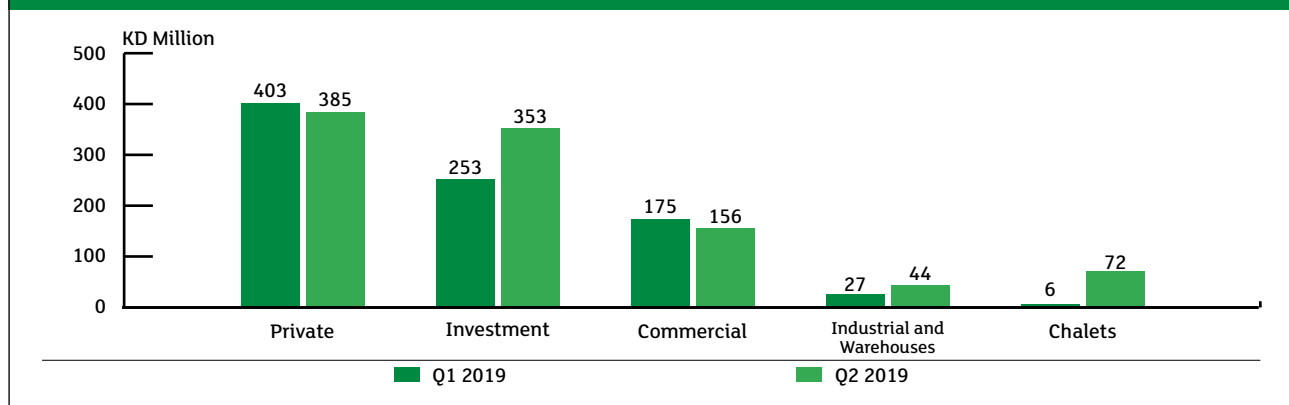


## Market Trends during Q2 2019

The escalating trajectory which the real estate sales value took in 2018 has continued as it recorded an increase in Q2 on quarterly basis as per the indicators of the Real Estate Registration and Authentication Department at the Ministry of Justice. The increase ratios varied among various real estate sectors value and number wise. The handcraft sector continued the escalating trajectory of its sales value. This quarter has witnessed for the third time respectively in the coastal strip sales as it reached an unprecedented and exceptional level.

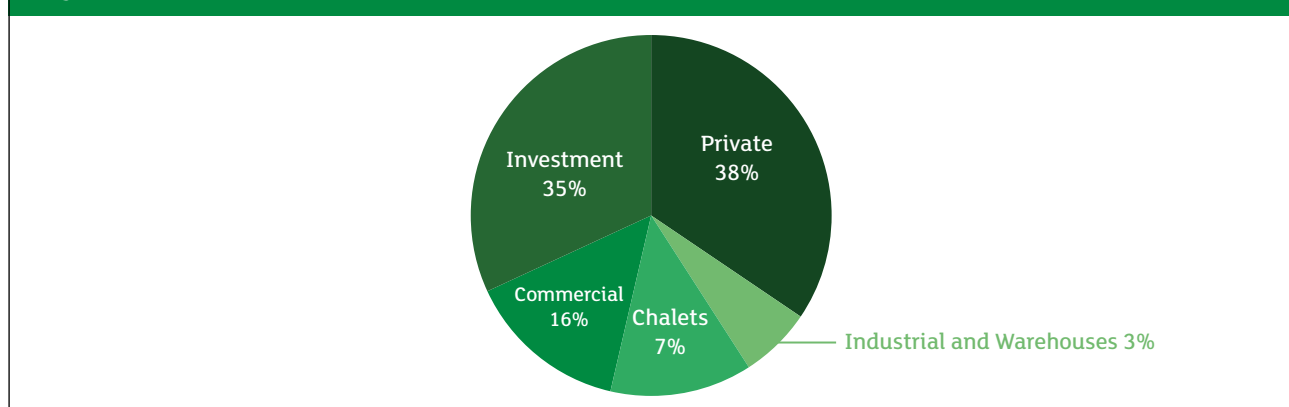
The private residence sector maintained its leading position among sectors despite the decline in its contribution in Q2. The sector contributed with 38% share in Q2 compared to the highest contribution by more than 46% of sales in Q1. Meanwhile, investment sector share retained the second position among sectors, representing a share of 35% of sales in Q2 compared to more than 29% in Q1. Commercial sector sales continue to improve as they reached 15.5% in Q2 compared to 20% in Q1. Handcraft and industrial sectors sales represented 4.5% while the coast sector sales exceeded 7% of real estate sales in Q2 2019.

Figure1: Total Real estate Trading Value



Source: Ministry of Justice – Kuwait Finance House

Figure2: Distribution of Real estate Transactions Share(Sector wise)/ Total Real estate Transactions Value Q2 2019

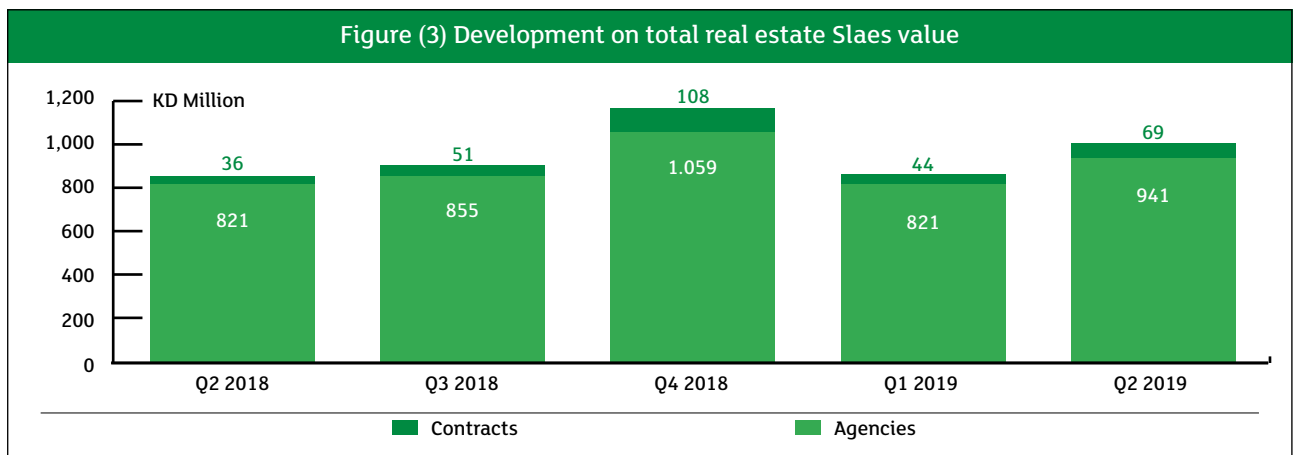


Source: Ministry of Justice – Kuwait Finance House



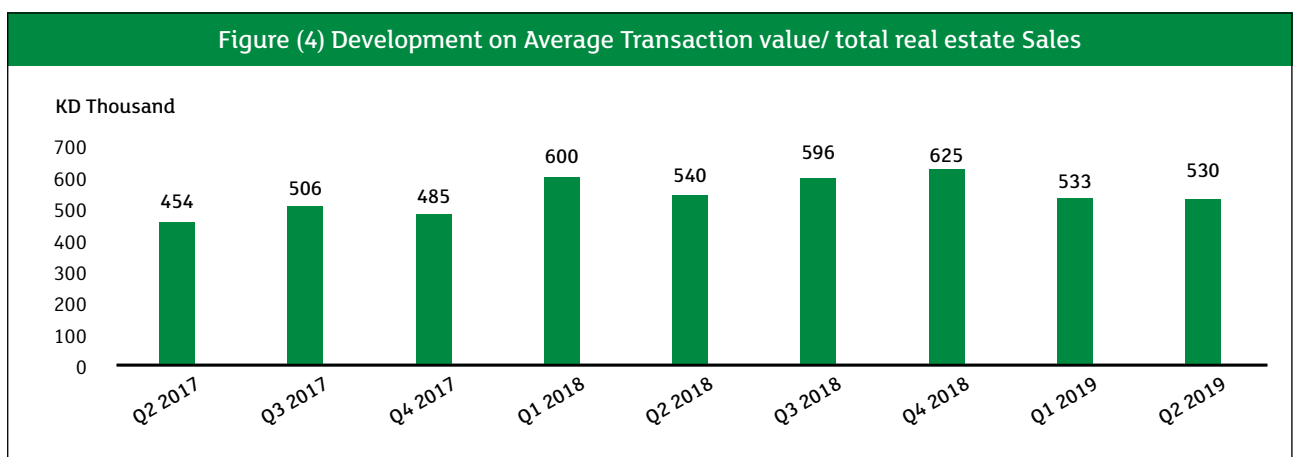
## Real estate Sales Trends during Q2

Real estate sales value exceeded KD 1 Billion in Q2, thus reaching the second highest level within more than 4 years, recording an increase by 17% compared to Q1 2019 as per the indicators of the Real Estate Registration and Authentication Department at the Ministry of Justice. The sector sales continued its escalating trajectory since recording its lowest KD 400 Million in Q3 2016. The sales value has increased by 4% compared to Q2 2018, thus slowing down the annual growth in real estate sector sales. Real estate sales (Agencies) increased to reach KD 69 in Q2 i.e. an increase by 58% compared to KD 44 Million in Q1. However, it is still considered higher by 93% on annual basis.



Source: Ministry of Justice – Kuwait Finance House

Average real estate transaction value reached KD 530 Thousand in Q2 2019 compared to KD 533 Thousand in Q1 2019. Average transaction value continued its escalating trajectory since 2017 despite its decline by 0.5% in Q2 compared to Q1 and by 2% on annual basis. Meanwhile, total transactions increased to 1,906 transactions in Q2 driven by a remarkable activity in the number of transactions in the commercial sector. The number of real estate transactions increased by more than 17% on quarterly basis and 20% on annual basis.

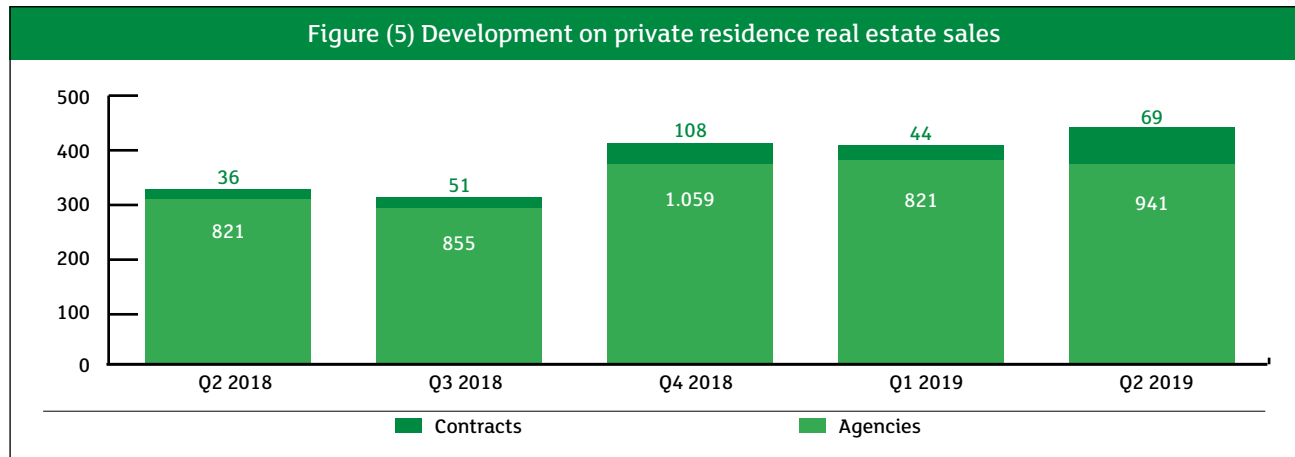


Source: Ministry of Justice – Kuwait Finance House



## Private Residence Trends

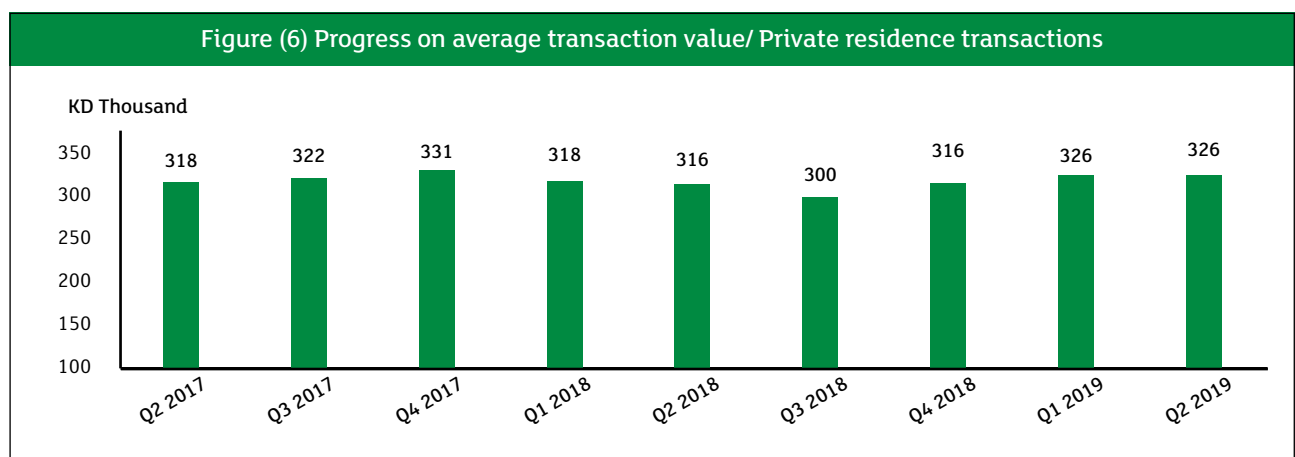
Private residence sales maintained the high levels recorded in the two preceding quarters even though they have declined in Q2 by 5% to reach KD 385 Million compared to 403 Million in Q1. However, it is still the third highest value within 4 years and continues to improve. Sector sales increased by 20% on annual basis while annual change continues its escalating trajectory in the residential sector.



Source: Ministry of Justice – Kuwait Finance House

Average transaction value of private residence stabilized at KD 326 Thousand in Q2 & Q1 2019 after recording a limited increase by 3% on quarterly basis. Average transaction value continued its escalating trajectory since the beginning of 2018, thus inducing the indicator to increase by 3.1% on annual basis. Meanwhile, the index is still recording quarterly fluctuating change ratios while the annual change continues its escalating trajectory as it recorded the second annual increase following the decline witnessed in 2019.

The number of transactions in private residence sector reached 1,183 transactions in Q2 which is still considered at high levels for the second time respectively compared to all quarters since 2015. The number of transactions declined by 4.4% in Q2 compared to Q1 this year. The number of transactions increased by more than 16% on annual basis. The private residence sector is still taking the escalating trajectory.

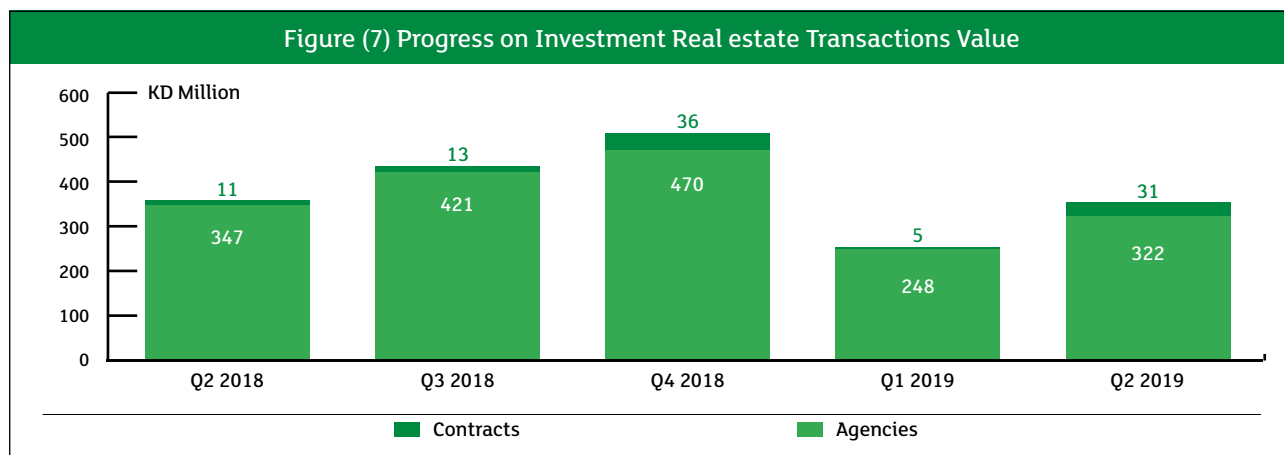


Source: Ministry of Justice – Kuwait Finance House



## Investment Real estate Trends

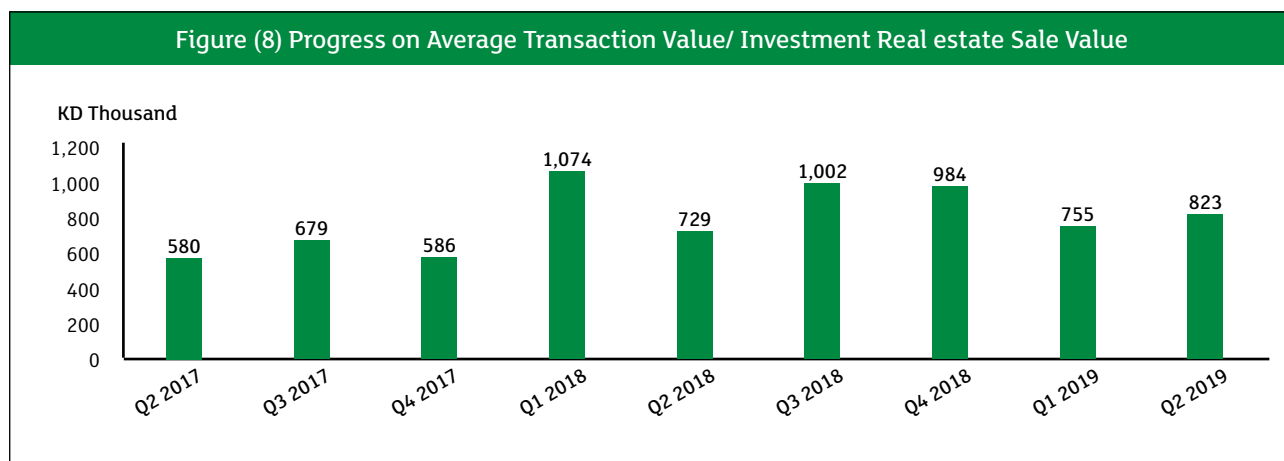
Investment real estate sales value increased to reach KD 353 Million in Q2 compared to KD 253 in Q1 i.e. a significant increase by 40% on quarterly basis. The escalating trajectory of the value continues at slower pace. Despite the significant performance of the sector sales in Q2 yet it has recorded a decline by 2% on annual basis which is the second time for the sector to record a decline on annual basis after recording continued increases last year.



Source: Ministry of Justice – Kuwait Finance House

Investment real estate average transaction value increased to reach KD 823 Thousand in Q2 i.e. an increase by 9% compared to Q1 accompanied by an increase by 13% on annual basis. Average transaction value, in last year's quarters, still exceeds the value in 2017 as this index continues its escalating trajectory since Mid-2016.

The number of investment real estate transactions increased to reach 429 transactions in Q2 i.e. an increase by 28% compared to Q1. The sector performance in Q2 has enhanced the escalating trajectory of the number of transactions compared to its lowest as at the end of last year, although the number of transactions declined by 12.8% on annual basis.

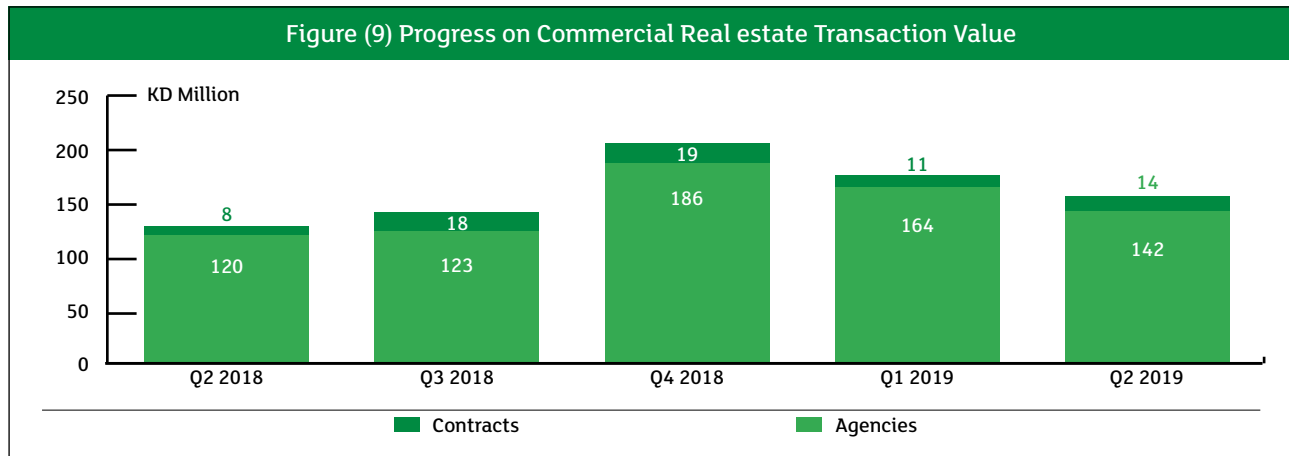


Source: Ministry of Justice – Kuwait Finance House



## Commercial Real Estate Trends

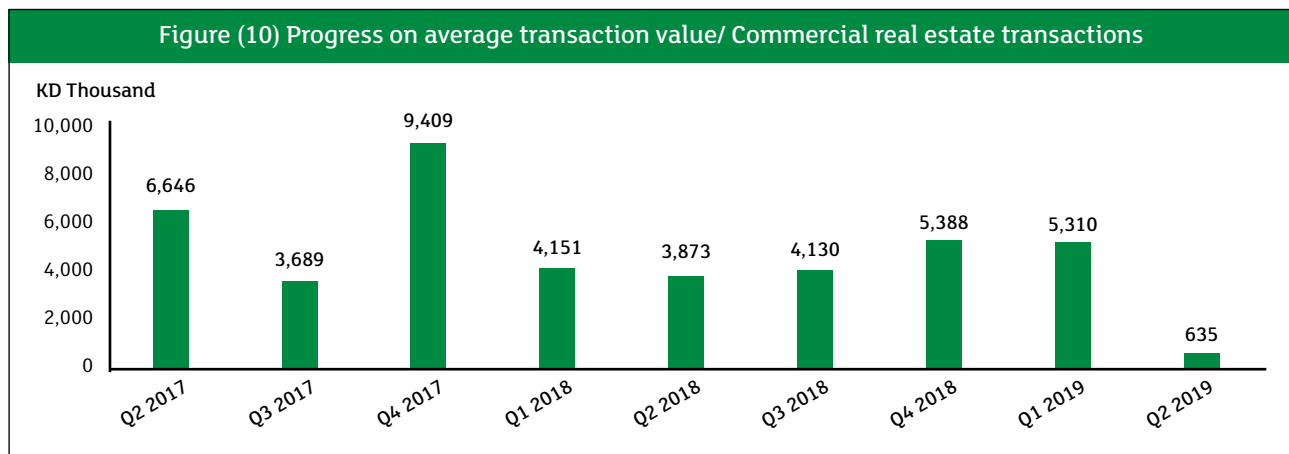
Commercial real estate sales value reached KD 156 Million in Q2 2019 i.e. a decline by 11% on quarterly basis. The value continues its robust escalating trajectory despite this decline. The sector sales continue the slow escalating trajectory on quarterly basis. The sector sales increased by 22% on annual basis, thus indicating that the annual change ratio is taking the descending trend.



Source: Ministry of Justice – Kuwait Finance House

Average transaction value in commercial real estate sector has reached one of its lowest levels. Sales in this sector comprised mostly demand on offices and shops which has dominated the commercial real estate sector. Average transaction value reached KD 635 Thousand i.e. a decline by 88% compared to one of its highest levels last year as it reached KD 5.3 Million in Q1. The average transaction value has taken an escalating trajectory last year till Q1 this year. Meanwhile, average transaction value in the commercial sector declined significantly by 84% on annual basis. Fluctuation continues in this index.

The number of transactions in commercial real estate sector a remarkable performance as it recorded 245 transactions in Q2 this year as it continued its increase since mid-2016. This is considered as an exceptional level equal to 7X the number which has reached 33 transactions in Q1. Also the number is 7x the number in Q2 last year on annual basis.



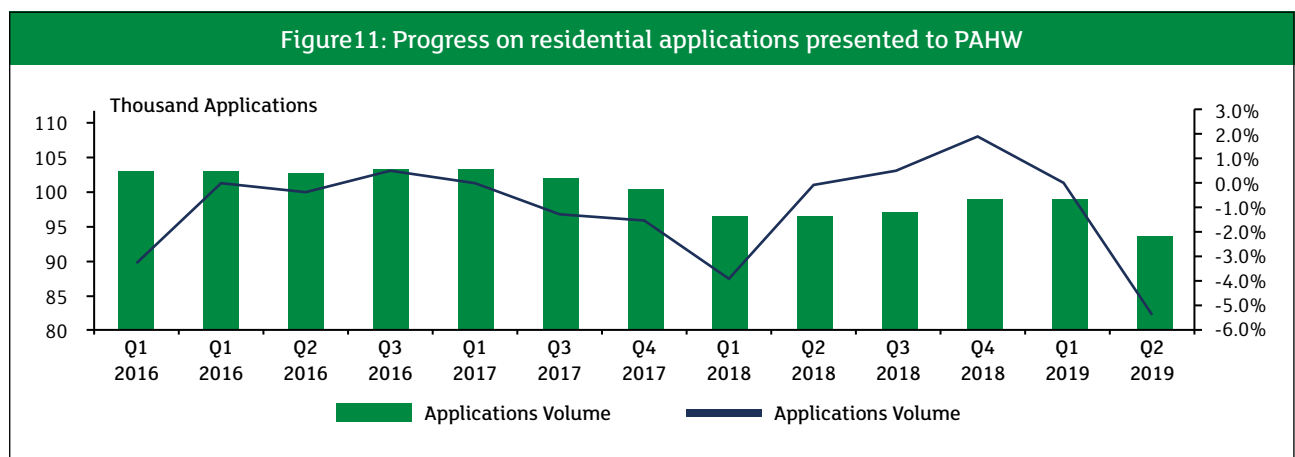
Source: Ministry of Justice – Kuwait Finance House



## Second: Residential Projects

The Public Authority for Housing Welfare (PAHW) 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 center attracting the investment, through various announced 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 June 2019. The authority was able to mitigate the number of applications to reach 94 thousand applications at the end of Q2 2019 i.e. a decline by 5.4% compared to the preceding quarter. The authority succeeded in mitigating the number of pending applications by 3% on annual basis. Kuwait is continuing its plan to provide and distribute residential units and lots to citizens. PAHW has succeeded in distributing 400 M<sup>2</sup> residential units. Also, it announced 6 distributions in district 8 of South Sabah Al-Ahmed City project during the period from End of February till March for a number of 1,816 government plots. The number of allocated distributions reached 22 distributions in District 4 of South Sabah Al-Ahmed City project on 2 consecutive stages. According to the distribution plan 2018/ 2019, the Authority plans to distribute 1,2000 plots in the same project and complete its plan according to the residential units' distribution schedule 2018/2019.



Source: PAHW – KFH

PAHW is continuing its endeavor to execute the volume residential projects planned earlier. According to February 2019 report the authority has completed the execution of the projects which it started in the previous period and commenced planning for projects in several new residential cities during Q1 2019 including construction projects of plots, services and public buildings for KD 239 Million in Sabah Al-Ahmed city, Mutlaa City and West and South Abdullah Al-Mubarak city. The following highlights the efforts exerted, and projects executed through 3 categories according to the sector served:



First: The Authority is executing plots and service projects in 8 contracts of various projects totaling KD 562.8 Million i.e. 40.7% of the authority project costs according to February 2019 report. The authority is about to deliver some projects in various residential areas in Q1 2019. Projects which are under completion include plots, services and housing projects. The authority has while it has exceeded the contractual completion percentage e.g. Jaber Al-Ahmed city, South Abdullah Al-Mubarak and East Taimaa totaling KD 463 Million. Time schedule is being prepared also for plots, services and house projects totaling KD 100 Million in Sabah Al-Ahmed city during Q1.

Second: The authority is following up the execution of public building projects in the new residential and certain other cities for 11 projects amounting more than KD 258 Million representing a share of 18.8% of the value of the authority projects as per its report including construction, completion and maintenance of public buildings which have been delivered in Sabah Al-Ahmed City and those almost finished e.g. Mina Abdullah and Wafra project having a total value amounting KD 59 Million. Work includes also other projects under processing in several other residential cities amounting KD 71 Million as well as the construction and maintenance of public buildings amounting KD 127.3 Million in West Abdullah Al-Mubarak city. The authority has achieved remarkable progress in some of the projects and started preparing the time schedule for completion i.e. KD 37 Million. The authority continues to complete public building projects in the new residential cities.

Third: The authority is executing main roads projects and sundry services amounting KD 561 Million comprising 20 different projects which represent 40.6% of the value of the PAHW projects. Projects include road construction and maintenance projects and infrastructure networks amounting KD 52 Million and in which the authority has completed or about to complete. The authority has achieved remarkable progress in the delivery plan of projects amounting KD 303 Million and started other projects amounting KD 186 Million in several other cities including the construction completion and maintenance of main and side roads as well as various infrastructure projects.

Accordingly, total projects executed by PAHW exceeds KD 1.4 Billion in several new residential cities through projects which are still under executions and other projects under planning and designing. They also include other future projects which the authority intends to execute in certain new cities soon. The authority plans to design residential projects in 6 different areas comprising more than 53 thousand residential units of 400 m<sup>2</sup> 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 from capital and South Abdullah Al-Mubarak which is located 16 km away from capital, 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 side of Kuwait 45 km from capital and 15 km from Jahraa governorate.

There are other projects also which are pending delivery, comprising 39 thousand units of 400 M<sup>2</sup> area each. These units include 900 flats covering an area of 385 M<sup>2</sup> each. Such projects are distributed in various residential cities including Wafra expansion project and Wafra current project which comprises 600 m<sup>2</sup> units, Jaber Al-Ahmed city which is 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 M<sup>2</sup> each e.g. Sabriya city which is located 60 km form capital governorate - North Country. The city comprises more than 52 thousand residential units. Also included, is Khairan city which is 80 km far from capital, comprising 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 m<sup>2</sup> each.





**Table (1) List of projects announced by the Technical Bureau for Studying Development Projects:**

	#	Area	Contract Value KD Million	Completion %	
				Contractual	Actual
Projects for Houses, Plots, Services, and Affiliated Public Buildings	1	Jaber Al-Ahmed City	73	*77.3	66.2
	2	South Mutlaa	215.8	43.2	20.5
	3	South Mutlaa	50	*8.5	8.7
	4	South Mutlaa	49.3	8.8	5.3
	5	South Abdullah Al-Mubarak city	29	*6.8	6.9
	6	East Taimaa	46	0.5*	3.5
	7	Sabah Al-Ahmed City	24.9	Time Schedule under preparation	-
	8	Sabah Al-Ahmed City	74.9	Time Schedule under preparation	-
<b>Cost</b>			<b>KD 562.8 million</b>		
* Projects which have exceeded completion percentage					
Public Building Projects	9	Sabah Al-Ahmed City	36.4	100	99.7
	10	Existing Wafra Project	21.2	100	87.4
	11	Mina Abdullah	2.2	100	64
	12	Wafra	23.7	43	25
	13	Jaber Al-Ahmed City	8.2	*34.2	32.4
	14	Wafra	24.6	20.3	5.4
	15	Wafra	14.4	*13	15.2
	16	West Abdullah Al-Mubarak City	28.5	11.3	5.8
	17	West Abdullah Al-Mubarak City	32.9	Time Schedule under preparation	5.8
	18	West Abdullah Al-Mubarak City	28.9	*2.9	10.4
	19	West Abdullah Al-Mubarak City	36.9	Time Schedule under preparation	
<b>Cost</b>			<b>KD 258.0 million</b>		

\* Projects which have exceeded completion percentage



Sundry Main Roads and Service Projects	20	Mutlaa	288	*31.7	39.2
	21	West Abdullah Al-Mubarak City	16.2	*86.6	87
	22	West Abdullah Al-Mubarak City	18.5	*65	72.4
	23	Jaber Al-Ahmed City	10.4	79.3	68.2
	24	West Abdullah Al-Mubarak City	5.4	*38.7	50
	25	South Abdullah Al-Mubarak City	1.6	57.7	59.3
	26	West Abdullah Al-Mubarak City	8.8	Time Schedule under preparation	-
	27	Wafra	3.4	*0.02	5
	28	Abu-Halifa	0.989	0.2	-
	29	Sabah Al-Ahmed City	3.4	0.5	-
	30	Mutlaa City	17.4	Time Schedule under preparation	1.5
	31	Mutlaa City	17.0		2.0
	32	Mutlaa City	17.0		2.2
	33	Mutlaa City	16.9		-
	34	West Abdullah Al-Mubarak	7.8		15
	35	North West Sulaibikhat	2.1		15.0
	36	Low cost houses	68.1		3.4
	37	Mutlaa City	26.2		-
	38	Mutlaa City	26.2		-
39	South Abdullah Al-Mubarak	17.7		-	
<b>Cost</b>			<b>KD 561.1 million</b>		
<b>Total Cost of PAHW Projects</b>			<b>KD 1,382 million</b>		

\* Projects which have exceeded completion percentage

Source: List of Projects of the Public Authority for Housing Welfare (PAHW) – February 2019 ([www.housing.gov.kw](http://www.housing.gov.kw))



## 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. Accordingly, residential land prices differ according to location and advantages in various Kuwait governorates and areas. Average price per square meter continued its improvement at governorates level driven by consecutive increase ratios since the beginning of last year. Average price increased by 2.2% at all governorates level in Q2 2019 compared to Q1. Average price exceeded KD 644 in Q1. Average price increased at all governorates level by 6.5% on annual basis. The escalating trajectory of the annual change in average price continues at all governorates level in private residence sector.

Private residence price levels increased in Q2 2019 in Kuwait governorates compared to the preceding quarter. Prices increased by 2.4% in Capital governorate, 1.8% and 1.9% in Hawawlli and Mubarak Al-Kabeer, 3.1% in Farwaniya (highest among governorates) Farwaniya governorates compared to Q1, 1.3% in Ahmadi, 2.6% in Jahra (second highest ratio). Meanwhile, prices increased on annual basis in certain governorates e.g. 6% in Capital, 6.6% in Hawalli, 10.2% in Farwaniya, 6.2% in Mubarak Al-Kabeer and increased by 3.5% in Ahmadi and 6.7% in Jahraa on annual basis.



## Capital Governorate

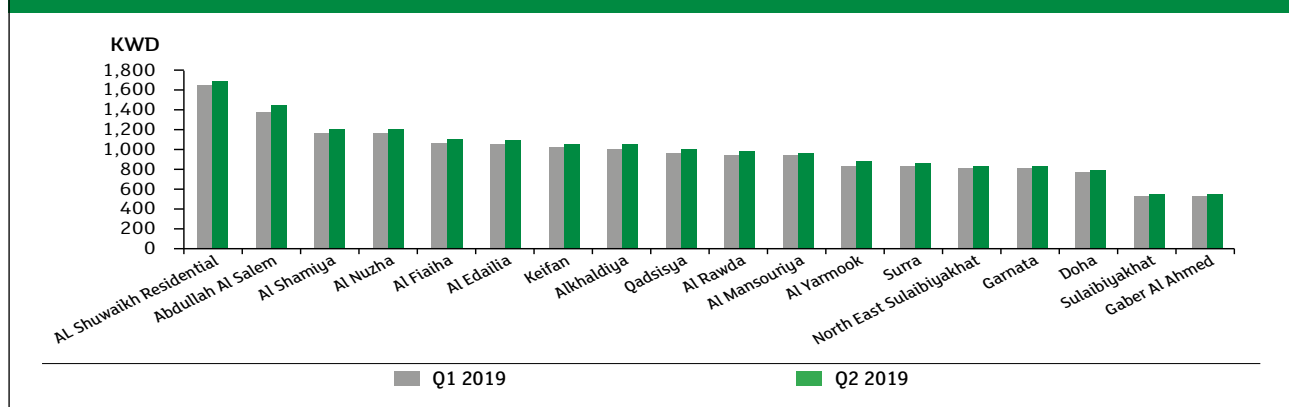
Average price per square meter in private residence sector at Capital governorate continued to improve, thus recording an increase by 2.4% on quarterly basis at the end of Q2 2019 and approximating KD 890. Prices in the governorate are improving despite the fluctuation in the average growth ratios on quarterly basis. Average price recorded an increase by 6% on annual basis (4th increase respectively since 2014). Annual growth ratio continues its escalating trajectory in regard to the price per meter.

Prices increased as at the end of Q2 in most of the residential areas at the governorate compared to Q1. Prices increased in the highest price areas e.g. 2.5% in Shuwaikh residential area as average price exceeded KD 1,600 at the end of Q2. Prices at Abdullah Al-Salem district increased by 2.9% to reach KD 1,370 while in Shamiya area prices increased by 5.6% to reach KD 1,145. Prices increased in Nuzha by 5.4% to reach KD 1,130 at the end of Q2 2019. Prices in Faiha exceeded KD 1,050 increasing by 1.7% compared to Q1 2019. Prices increased in Edailiya and Keefan to exceed KD 1000 each i.e. an increase by 2.5% on quarterly basis.

Prices increased in most of the areas where price per meter ranged KD 800 and KD 1,000 e.g. in Khaldiya 4.4% to exceed KD 990, Qadisiya 2.3% to reach KD 950, Rawda 2.6% to reach KD 930, Mansouriya 1.2% to reach KD 915 at the end of Q2 2019. Average price in Yarmouk increased by 1.3% to reach KD 910, Surra residential area 1.3% to reach KD 825, Dasma to reach KD 800 increasing by 1.6% compared to Q1.

Prices increased in areas where price per meter ranged KD 700 – 800. Daeya is still taking the lead with a price KD 790 followed by Qurtuba which has recorded an increase by 1.5%. each. Prices in the lower price areas did not witness any change in Q2 as price stood at KD 515 e.g. Ghernata which has recorded a slight increase. Prices stabilized in North West Sulaibikhat and existing houses in Doha where price reached KD 476. Prices increased in Sulaibikhat area to reach KD 460 i.e. an increase by 1.8% on quarterly basis.

Figure (12) Average Price/ M2 for Private Residence in Capital Governorate Q3 and Q4 2018



Source: Kuwait Finance House

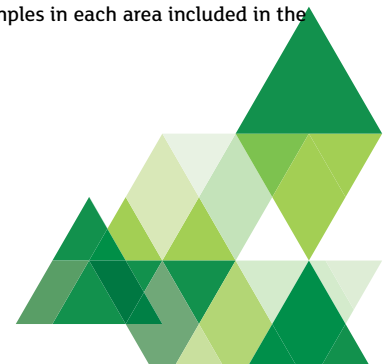
**Table 2: Residential Plot Prices at Capital Governorate**

Region	Area M <sup>2</sup>	Building %	Street	Land Market Value (KD)		Market Value /M <sup>2</sup> (KD)		Average price/ M <sup>2</sup> Q2 2019
				From	To	From	To	
Al Shuwaikh Residential	500	210%	Internal	800,000	880,000	1,600	1,760	1,680
	1,000	210%	Internal	1,250,000	1,550,000	1,250	1,550	1,400
	1,000	210%	Main	1,550,000	1,700,000	1,550	1,700	1,625
	1,000	210%	Jamal Abdul-Naser	1,650,000	1,850,000	1,650	1,850	1,750
<b>General Average in the Area</b>				<b>1,312,500</b>	<b>1,495,000</b>	<b>1,513</b>	<b>1,715</b>	<b>1,614</b>
Abdullah Al Salem District	500	210%	Internal	650,000	800,000	1,300	1,600	1,450
	750	210%	Main	975,000	1,150,000	1,300	1,533	1,417
	1,000	210%	Sanaa	1,550,000	1,750,000	1,550	1,750	1,650
<b>General Average in the Area</b>				<b>1,028,333</b>	<b>1,250,000</b>	<b>1,236</b>	<b>1,503</b>	<b>1,370</b>
Shamiyah	250	Till 800 m	Internal	300,000	360,000	1,200	1,440	1,320
	1,000	210%	Internal	850,000	1,050,000	850	1,050	950
	500	210%	Main	600,000	700,000	1,200	1,400	1,300
	750	210%	Main	800,000	950,000	1,067	1,267	1,167
<b>General Average in the Area</b>				<b>692,857</b>	<b>820,000</b>	<b>1,050</b>	<b>1,240</b>	<b>1,145</b>
Nozha	500	210%	Internal	500,000	600,000	1,000	1,200	1,100
	750	210%	Internal	700,000	800,000	933	1,067	1,000
	1,000	210%	Main	1,050,000	1,250,000	1,050	1,250	1,150
<b>General Average in the Area</b>				<b>716,000</b>	<b>866,000</b>	<b>1,025</b>	<b>1,242</b>	<b>1,133</b>
Khaldiya	750	210%	Internal	650,000	750,000	867	1,000	933
	750	210%	Internal	740,000	900,000	987	1,200	1,093
	1,000	210%	4th / 3rd Ring Road	950,000	1,100,000	950	1,100	1,025
<b>General Average in the Area</b>				<b>780,000</b>	<b>950,000</b>	<b>896</b>	<b>1,088</b>	<b>992</b>
Adailiya	500	210%	Internal	480,000	558,000	960	1,116	1,038
	750	210%	Main	740,000	900,000	987	1,200	1,093
	1,000	210%	Riyad/ Damascus	950,000	1,100,000	950	1,100	1,025
<b>General Average in the Area</b>				<b>722,857</b>	<b>858,286</b>	<b>935</b>	<b>1,107</b>	<b>1,021</b>
Faihaa	400	210%	Internal	390,000	470,000	975	1,175	1,075
	750	210%	Internal	720,000	850,000	960	1,133	1,047
	1,000	210%	Main	950,000	1,100,000	950	1,100	1,025
<b>General Average in the Area</b>				<b>578,571</b>	<b>685,714</b>	<b>958</b>	<b>1,141</b>	<b>1,050</b>

Source: Kuwait Finance House

Note: the general average price for the areas in tables: 2 to 5 present the general average for several transactions. It has been evaluated by KFH in which are not included at these tables.

Accordingly, the reader may not be able to extract the general average price at the area based on price samples in each area included in the table. However, the general average price per square meter may be used as a price indicator.



## Hawalli Governorate

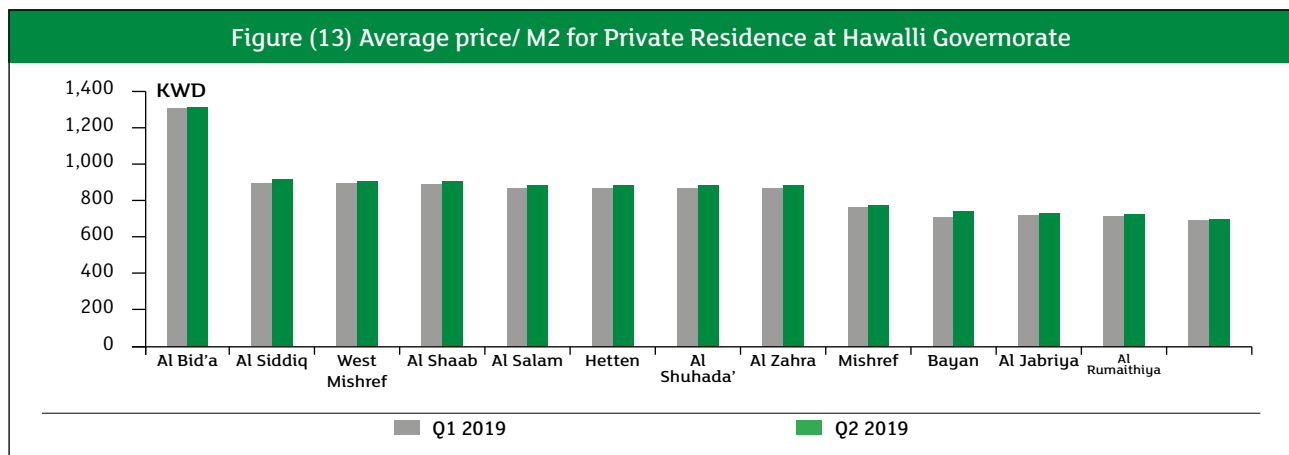
Average price per square meter in Hawalli Governorate exceeded KD 860 i.e. an increase by 1.7% compared to Q1. Accordingly, prices started to take an escalating trajectory following the slight increases on quarterly basis. Prices increased on annual basis by 6.6% in Q2. Prices have previously recorded annual decline ratios by 1.3% in Q2 last year.

Average price per square meter increased at close range in most of the governorate areas compared to Q1. Remaining areas recorded a slightly higher increase. Prices in Bedaa area are still the highest at the governorate level with an average KD 1,300 i.e. an increase by 0.5% compared to Q1. Prices in West Mishrif moved to second rank at the governorate level recording an increase by 2.6% while prices in Siddique and Shaab increased to reach KD 905 i.e. an increase by 1.9% and 2.3% respectively.

Price per meter increased by 1.6% in several areas e.g. Hitteen, Shuhadaa and Zahraa areas where average price reached KD 880. Prices in Salaam area approximated these levels as they increased by 1.3% compared to Q1. Meanwhile, average price per meter was less in West Mishrif where prices reached KD 770 i.e. an increase by 1.7% on quarterly basis.

In areas where price per meter ranged KD 650 – 750 including Jabriya, average price per meter increased to reach KD 736 i.e. an increase by 4% compared to Q1. Prices increased at lower rate in Bayan by 1.9%. prices increased in Rumaithiya by 1.7% where average price exceeded KD 720. Prices improved by 1% in Salwa which is still considered as the lowest price area among private residence area in Hawalli governorate, thus recording KD 965 at the end of Q2.

Figure (13) Average price/ M2 for Private Residence at Hawalli Governorate



Source: Kuwait Finance House

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

Region	Area M <sup>2</sup>	Building %	Street	Land Market Value (KD)		Market Value /M <sup>2</sup> (KD)		Average price/ M <sup>2</sup> Q2 2019
				From	To	From	To	
Shaab	400	210%	Internal	350,000	410,000	875	1,025	950
	500	210%	Main	430,000	500,000	860	1,000	930
	750	210%	Internal	630,000	730,000	840	973	907
<b>General Average in the Area</b>				<b>451,667</b>	<b>525,000</b>	<b>838</b>	<b>972</b>	<b>905</b>
Jabriya	400	210%	Internal	300,000	350,000	750	875	813
	500	210%	Main	370,000	440,000	740	880	810
	1000	210%	Internal	700,000	810,000	700	810	755
<b>General Average in the Area</b>				<b>431,111</b>	<b>510,000</b>	<b>676</b>	<b>796</b>	<b>736</b>
Rumaithiya	400	210%	Internal	270,000	320,000	675	800	738
	750	210%	Main	360,000	450,000	480	600	540
	1000	210%	Internal	850,000	950,000	850	950	900
<b>General Average in the Area</b>				<b>437,778</b>	<b>518,889</b>	<b>660</b>	<b>786</b>	<b>723</b>
Salwa	500	210%	Internal	285,000	350,000	570	700	635
	750	210%	Internal	360,000	450,000	480	600	540
	1,000	210%	Aqsa	750,000	850,000	750	850	800
	1,000	210%	Taawon	850,000	950,000	850	950	900
<b>General Average in the Area</b>				<b>511,429</b>	<b>593,571</b>	<b>639</b>	<b>752</b>	<b>695</b>
Salaam	400	210%	Internal	320,000	380,000	800	950	875
	400	210%	Main	370,000	420,000	925	1,050	988
	500	210%	Internal	350,000	410,000	700	820	760
	500	210%	Main	420,000	470,000	840	940	890
<b>General Average in the Area</b>				<b>365,000</b>	<b>420,000</b>	<b>816</b>	<b>940</b>	<b>878</b>
Hitteen	400	210%	Internal	320,000	380,000	800	950	875
	400	210%	Main	370,000	420,000	925	1,050	988
	500	210%	Internal	350,000	410,000	700	820	760
	500	210%	Main	420,000	480,000	840	960	900
<b>General Average in the Area</b>				<b>365,000</b>	<b>422,500</b>	<b>816</b>	<b>945</b>	<b>881</b>
Shuhadaa	400	210%	Internal	320,000	380,000	800	950	875
	400	210%	Main	370,000	420,000	925	1,050	988
	500	210%	Internal	350,000	410,000	700	820	760
	500	210%	Main	420,000	480,000	840	960	900
<b>General Average in the Area</b>				<b>365,000</b>	<b>422,500</b>	<b>816</b>	<b>945</b>	<b>881</b>

Source: Kuwait Finance House



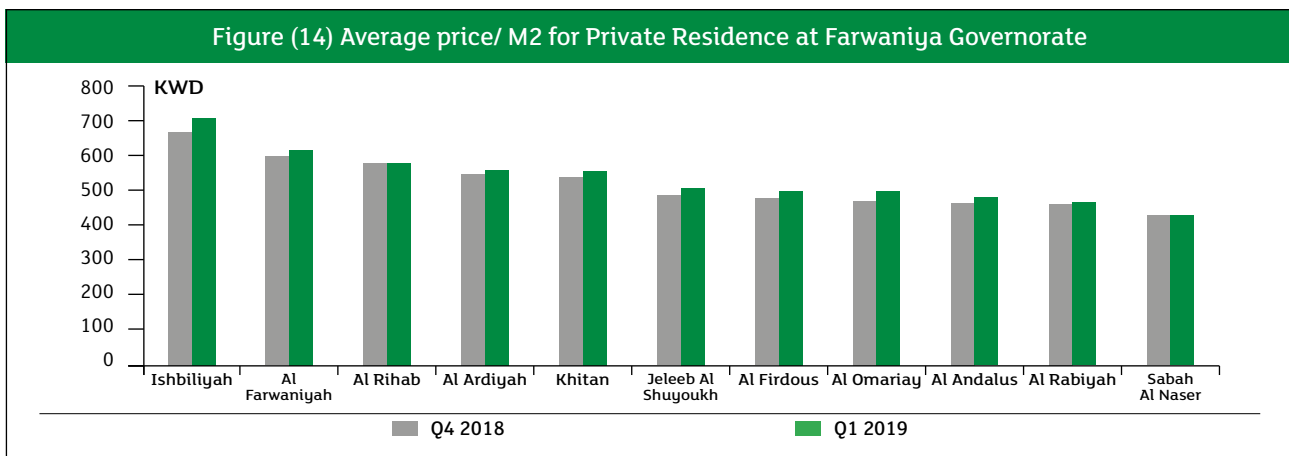
## Farwaniya Governorate

Prices increased in Farwaniya governorate at the end of Q2 to reach more than KD 550 and continue their escalating trend. This positive performance is driven by the highest increase at all governorates level at the end of Q2 by 3.1% compared to Q1. Prices have enhanced the escalating trajectory following a long descending trajectory earlier and a continued fluctuation of the quarterly change ratio of prices at the governorate. Prices increased at the governorate on annual basis by 10.2% (highest on annual basis). Annual change ratio continues its escalating trajectory.

Prices increased at the end of Q2 in most of Farwaniya governorate areas compared to the Q1. However, certain areas recorded stability. Prices in Eshbilia, highest price area, witnessed an increase where average price increased by 6% thus recording KD 727 per square meter. Prices increased in Farwaniya area by 3.3% as they reached KD 635 and stabilized in Rehab area at KD 590. Average price increased in lower price areas i.e. 2% and 3% in Ardiya and Khaitan where price reached KD 570 at the end of Q2 compared to Q1.

Prices increased in average price areas e.g. Jaleeb Al-Shoyoukh, recording KD 520 i.e. an increase by 4% compared to Q1. Prices in Fardoas increased by 6% in Andalus, thus reaching KD 510 each. Prices in Omariya reached KD 494 i.e. an increase by 3% compared to Q1.

Prices improved in Rabia area by 1% to reach KD 470 and stabilized in lower price private residence areas e.g. Sabah Al-Naser at KD 440 at the end of Q2 2019.



Source: Kuwait Finance House





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

Region	Building %	Area M <sup>2</sup>	Street	Land Market Value (KD)		Market Value /M <sup>2</sup> (KD)		Average price/ M <sup>2</sup> Q2 2019
				From	To	From	To	
Andalus	210 %	500	Internal	220,000	280,000	440	560	500
	210 %	750	Main	350,000	380,000	467	507	487
<b>General Average in the Area</b>				<b>304,000</b>	<b>356,000</b>	<b>469</b>	<b>555</b>	<b>512</b>
Rabia (Existing House)	210 %	500	Internal	230,000	260,000	460	520	490
	210 %	500	Main	250,000	280,000	500	560	530
<b>General Average in the Area</b>				<b>335,000</b>	<b>367,500</b>	<b>455</b>	<b>503</b>	<b>479</b>
Ashbilya	210%	375	Internal	250,000	280,000	667	747	707
	210 %	400	Main	300,000	340,000	750	850	800
	210 %	500	Internal	290,000	350,000	580	700	640
<b>General Average in the Area</b>				<b>285,000</b>	<b>330,000</b>	<b>674</b>	<b>780</b>	<b>727</b>
Farwaniya	210 %	500	Internal	270,000	310,000	540	620	580
	210 %	500	Main	320,000	370,000	640	740	690
<b>General Average in the Area</b>				<b>295,000</b>	<b>340,000</b>	<b>590</b>	<b>680</b>	<b>635</b>
Khaitan	210 %	400	Internal	220,000	260,000	550	650	600
	210 %	1000	King Faisal Road	500,000	600,000	500	600	550
<b>General Average in the Area</b>				<b>370,000</b>	<b>440,000</b>	<b>493</b>	<b>587</b>	<b>540</b>
Jaleeb Al Shuyoukh	210 %	500	Main	220,000	250,000	440	500	470
	210%	500	Internal	260,000	310,000	520	620	570
<b>General Average in the Area</b>				<b>240,000</b>	<b>280,000</b>	<b>480</b>	<b>560</b>	<b>520</b>
Ardiya	210 %	750	Internal	240,000	280,000	480	560	520
	210 %	750	Main	280,000	350,000	373	467	420
<b>General Average in the Area</b>				<b>350,000</b>	<b>390,000</b>	<b>467</b>	<b>520</b>	<b>493</b>

Source: Kuwait Finance House

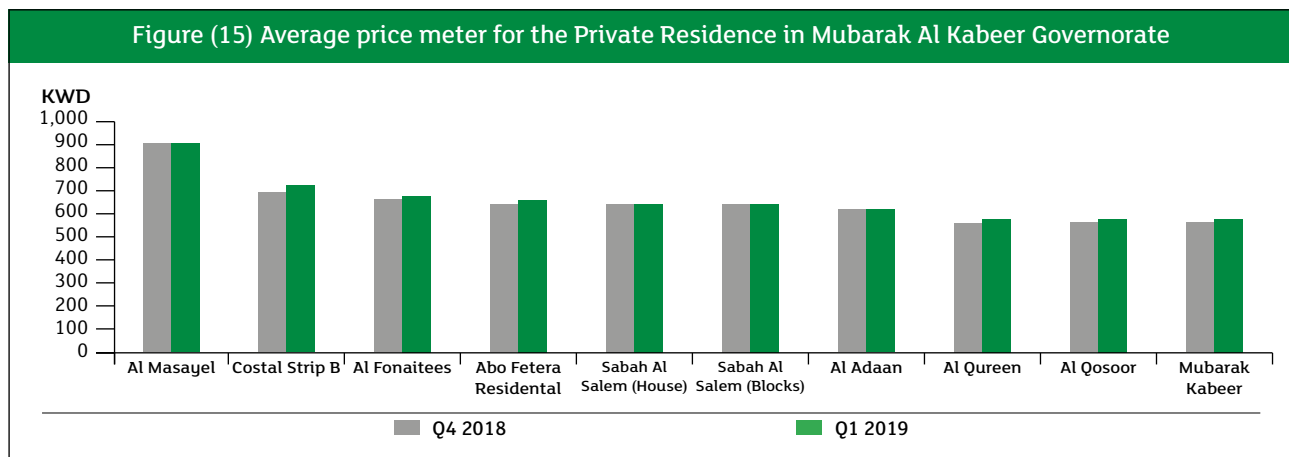


## Mubarak Al Kabeer Governorate

Average price per meter at Mubarak Al-Kabeer governorate to reach KD 657 recorded an increase in Q2 by 1.9% compared to Q1 2019 which has recorded the highest increase at all governorates level by 1.7%. Prices continue their escalating trajectory in the governorate. Prices increased on annual basis by 6.2%. Annual growth in price per meter at the governorate is taking a significant but slower escalating trajectory compared to the preceding trajectory.

Average price per meter has increased in most of the governorate areas and stabilized in other areas compared to Q1 prices. Average price stabilized in the highest price area of the governorate e.g. coastal strip (B) area, thus recording KD 880. Meanwhile, prices increased in Masayel area by 4.7% recording KD 736. Prices increased by 3.6% in Funaitees as reached KD 683. Prices increased in Abu-Fatira by 3% thus reaching KD 660 followed by prices in Sabah Al-Salem area where prices increased to reach KD 640 i.e. an increase by 3% compared to Q1 as witnessed in existing houses and residential plots.

Prices increased in Addan area at KD 610 per square meter i.e. an increase by 1.3%. Prices increased in the lowest price areas of the governorate e.g. Qurain area by 1.4% to reach KD 570 per square meter while prices in Qosour and Mubarak Al-Kabeer areas increased by the same percentage compared to Q1.



Source: Kuwait Finance House



**Table 5: Residential Plot Prices at Mubarak Al Kabeer Governorate**

Region	Area	Building %	Street	Land Market Value (KD)		Market Value /M <sup>2</sup> (KD)		Average price/ M <sup>2</sup> Q2 2019
				From	To	From	To	
Masayel	400	210%	Internal	265,000	320,000	663	800	731
	500	210%	Main	340,000	390,000	680	780	730
<b>General Average in the Area</b>				<b>302,500</b>	<b>355,000</b>	<b>677</b>	<b>795</b>	<b>736</b>
Coast Strip B	1000	150%	Internal	450,000	600,000	450	600	525
	2000	150%	Marine	2,500,000	2,900,000	1,250	1,450	1,350
<b>General Average in the Area</b>				<b>1,233,333</b>	<b>1,433,333</b>	<b>817</b>	<b>950</b>	<b>883</b>
Abu Fatira Residential	400	210%	Internal	235,000	290,000	588	725	656
	500	210%	Main	300,000	340,000	600	680	640
<b>General Average in the Area</b>				<b>267,500</b>	<b>321,250</b>	<b>599</b>	<b>721</b>	<b>660</b>
Funaitees	400	210%	Internal	245,000	300,000	613	750	681
	500	210%	Main	310,000	350,000	620	700	660
<b>General Average in the Area</b>				<b>278,750</b>	<b>331,250</b>	<b>624</b>	<b>743</b>	<b>683</b>
Addan	400	210%	Main	250,000	270,000	625	675	650
	400	210%	Internal	200,000	250,000	500	625	563
<b>General Average in the Area</b>				<b>227,500</b>	<b>260,000</b>	<b>569</b>	<b>650</b>	<b>609</b>

Source: Kuwait Finance House



## Ahmadi Governorate

Prices increased in Ahmadi governorate as at the end of Q2 to reach at KD 475 per meter i.e. an increase by 1.3% compared to the preceding quarter. This increase was the lowest increase among governorates in Q2. Prices have taken a slow escalating trajectory in the governorate accompanied by a fluctuation in the change ratios on quarterly basis. On annual basis, prices have enhanced their escalating trajectory driven by the increase ratio in Q2 to 3.5% compared to a lower increase recorded by the average price in the preceding periods.

Average price stabilized in most of the private residence areas at Ahmadi governorate except some areas which have recorded an increase at the end of Q2 compared to Q1. Prices stabilized in the southern coastal strip area at KD 1,300 per square meter as one of the highest price areas in the governorate. Prices stabilized at KD 770 in the coastal strip area e.g. main southern sites and increased in Eqaila area by 3.2% to reach KD 605 per meter in Q2. Average price increased in Fahad Al-Ahmed area to reach KD 600 per meter i.e. an increase by 2.1% compared to Q1.

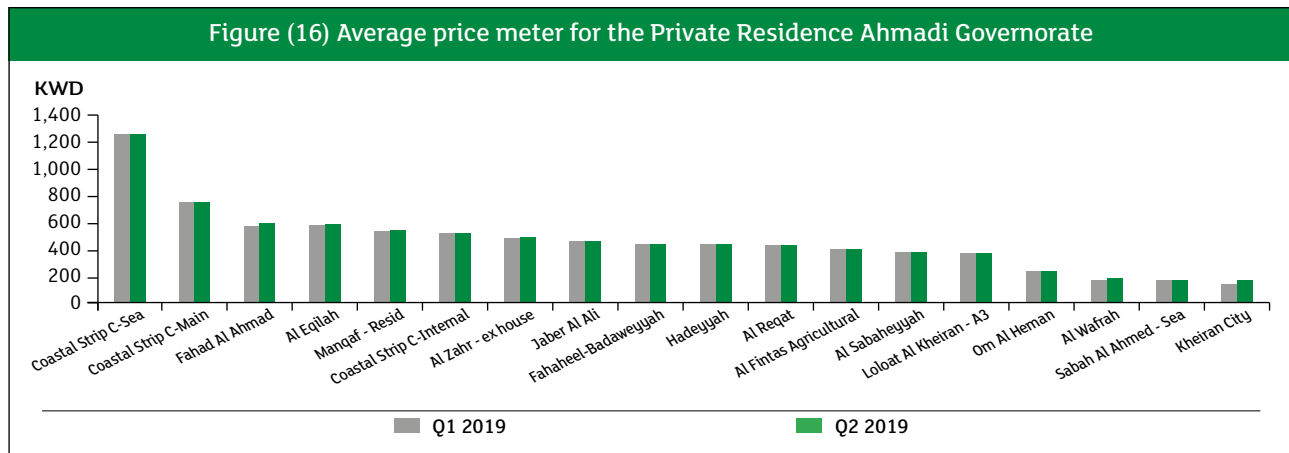
Average price, in average value areas in which price is less than KD 600, has increased e.g. Mangaf residential areas by 1.6% while prices stabilized in the internal area of the southern coast strip at KD 530.

Prices did not witness any change in the areas ranging KD 400 – KD 500 e.g. average value areas. Prices increased by 3.7% in Dhaher area, thus exceeding KD 500. Prices stabilized in Jaber Al-Ali area at the end of Q2 while they increased in Hadiya area to reach more than KD 450 i.e. an increase by 1% compared to Q1. Prices stabilized in Badawiya Street – Fahaheel to exceed KD 450. Prices stabilized in Riqqa area at KD 440 and at Fintas agricultural area to reach more than KD 400 in Q2.

Prices stabilized in the lowest price areas of the governorate e.g. Sabahiya at KD 380 while it stood at less than this in Khiran Pearl overlooking the sea. Prices did not witness any change in Um-Al-Haiman compared to Q1. Average price in these areas exceeds KD 360 per square meter.

Prices stabilized in the lowest price areas in which price is less than 300 per square meter e.g. Wafra at KD 250. Price reached in Khiran Pearl area KD 190 per meter while they increased in certain places of Sabah Al-Ahmed Marine Area by 3.2% to approximate KD 180 per meter.

Figure (16) Average price meter for the Private Residence Ahmadi Governorate



Source: Kuwait Finance House

**Table 6: Residential Plot Prices at Ahmadi Governorate**

Region	Building %	Area	Street	Land Market Value (KD)		Market Value /M <sup>2</sup> (KD)		Average price/ M <sup>2</sup> Q2 2019
				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	280,000	340,000	373	453	413
	210%	750	Main	340,000	400,000	453	533	493
Aqaila	210%	400	Main	250,000	290,000	625	725	675
	210%	500	Main	230,000	280,000	460	560	510
Coast strip (S) overlooking Sea	150%	2000	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	-	65,000	85,000	163	213	188
Sabah Al Ahmad Marine A1 (Overlooking Sea)	210%	1200	Marine	190,000	240,000	158	200	179
Sabah Al Ahmad Marine A2 (overlooking Sea)	210%	450	Marine	160,000	180,000	356	400	378
Khiran Pearl overlooking sea A3	210%	450	Marine	160,000	180,000	356	400	378
Mangaf Residential	210%	375	Internal	180,000	220,000	480	587	533
	210%	400	Main	230,000	260,000	575	650	613

Source: Kuwait Finance House

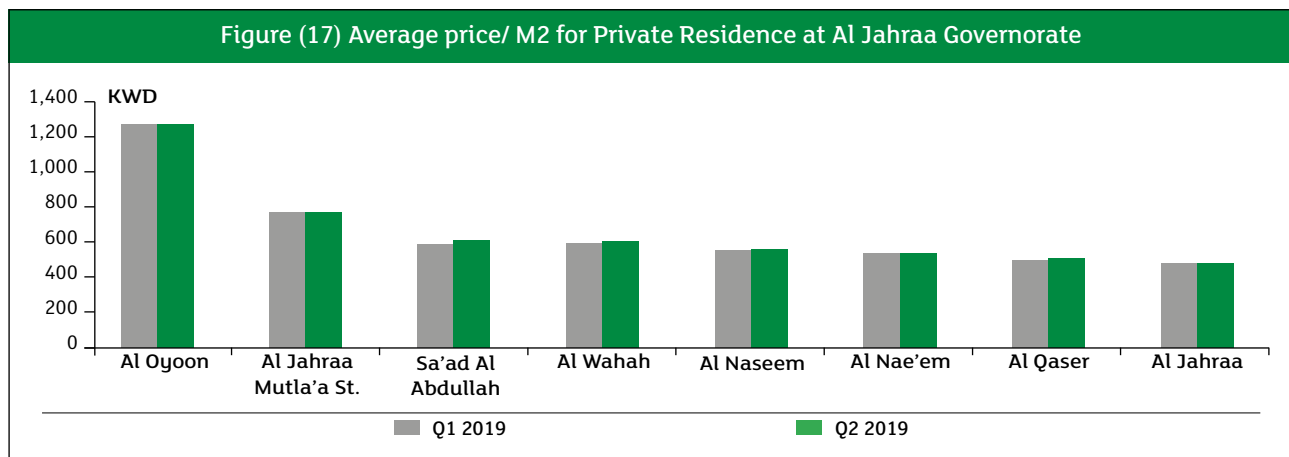


## Jahra Governorate

Prices increased in Jahra governorate as at the end of Q2 as they reached KD 433 i.e. an increase by 2.6% compared to Q1. This is considered as the third increase respectively following the remarkable stability during 2018. This increase comes with a slow escalating trajectory of prices in the governorate, accompanies by a similar trend of change ratios on quarterly basis. Prices have recorded an increase on annual basis by 6.7% in Q2 compared to 4% in Q1. It is noticed that this annual change in prices is taking a robust escalating trajectory.

Prices increased on quarterly basis in most of the areas in Jahra governorate. Places in Mutlaa St. took the lead in prices over private residence areas in the governorate as they reached KD 500 in Q2 i.e. an increase by 5% on quarterly basis. Prices stabilized in certain places of Oyoun area at KD 479 per meter in Q2 compared to Q1. Prices did not witness any change in Saad Al-Abdullah area, thus approximating KD 460 followed by Waha area which has recorded stability in most of its parts.

Regarding areas where average price ranges KD 400 – 450 including Qasr area and certain places of Club street, prices increased by 8% as average price reached KD 429. Prices stabilized in Naseem area at KD 420 per meter. Prices improved in Na'eem area by 2% at the end of Q2, thus approximating KD 410. In areas where average price is less than KD 400 e.g. Old Jahra, lowest price areas, average price increased by 4% to reach KD 385 as at the end of Q2.



Source: Kuwait Finance House



**Table 7: Residential Plot Prices at Jahraa Governorate**

Region	Area	Building %	Land Market Value (KD)		Market Value /M <sup>2</sup> (KD)		Average price/ M <sup>2</sup> Q2 2019
			From	To	From	To	
Qasr – Club Street	1000	210%	450,000	550,000	450	550	500
Qasr (Existing Houses)	600	210%	190,000	240,000	317	400	358
Jahraa – Mutla'a St. - Internal	1000	210%	450,000	550,000	450	550	500
Na'eem – Plots	400	210%	130,000	180,000	325	450	388
Na'eem – (GVT House)	400	% 210	145,000	200,000	363	500	431
Oyoun	298	Up to 800 M <sup>2</sup>	125,000	160,000	420	537	479
Al Naseem (GVT House) – Main Roads	400	210%	145,000	190,000	363	475	419
Oasis – Existing House	300	Up to 800 M <sup>2</sup>	120,000	150,000	400	500	450
Saad Al-Abdullah	400	210%	135,000	175,000	338	438	388
Qairawan	400	210%	155,000	195,000	388	488	438

Source: Kuwait Finance House



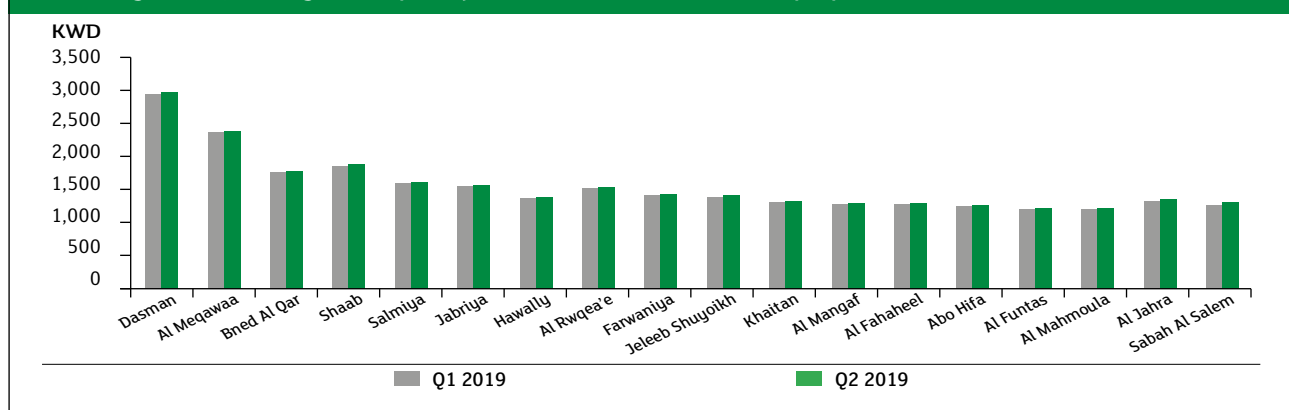
## Second: Investment Land Prices

Average price per square meter of investment land improved slightly at the end of Q2 compared to Q1. Average price exceeded KD 1,540 at all governorates level i.e. an increase by 0.5% compared to Q1. Average price retained its stability till Q2 and did not witness any change in Q2 in certain governorates, thus reiterating stability of prices with an increase in certain governorates for the first time. This performance comes after the decline witnessed in prices on quarterly basis for the last three years, bearing in mind that the last increase recorded in prices was in 2015.

Average price stabilized in Q2 in Capital Governorate compared to the preceding quarter. Price levels did not witness any changes in most of the governorates e.g. Farwaniya and Ahmadi. Prices improved in Hawalli and Jahra by 0.5% compared to Q1 while they increased by 1.3% in Mubarak Al-Kabeer Area.

On annual basis, the decline ratios have improved in prices ranging 1% - 2%. Prices declined by 0.5% in Capital and Farwaniya governorates. Prices stabilized in Jahra and Mubarak Al-Kabeer while they declined in Hawalli by 2% and Ahmadi by 1% compared to Q2 2018.

Figure (18) Average Price per sqm for Investment Residence properties in Kuwait Governorates



Source: Kuwait Finance House





## Capital Governorate

Concerning prices in each governorate, price levels in capital governorate stabilized at the end of Q2 2019 at KD 2,370 per meter. Price per meter is continuing its stable trend since the end of 2016 and considered as the highest at all governorates level. Accordingly, quarterly growth of average price is still going steady following the escalating trajectory which it had taken. A slight decline by 0.5% is noticed in the average price in capital governorate on annual basis.

**Regarding prices at the capital governorate level,** Dasman area is still the highest price area among capital governorate areas and all investment areas in other governorates. Average price in this area approximated KD 3,000 M<sup>2</sup>, thus stabilizing in Q2 at the area level compared to Q1 prices. Prices stabilized in certain places of Gulf Street and in most of the locations e.g. Abdullah Al-Ahmed Street and certain internal places in Dasman area.

Average price in Eastern Maquaa area stabilized at KD 2,376 in Q2 2019 and the preceding quarter. Also, prices stabilized remarkably in general at the area level, investment areas overlooking Shuhadaa Street as well as main streets. Prices did not witness any change in certain main locations with lower prices as they stood at KD 2,600 per meter. No changes noticed in the internal 500M<sup>2</sup> area locations. Prices stabilized in other locations at KD 1,800.

Average price in Benaid Al-Qar area reached more than KD 1,760 in Q2. Price levels stabilized in most of the locations in the area including the highest price areas e.g. places in Gulf Road which have stood at KD 2,900 in Q2. Prices stabilized in certain places in Istiqlal Street and some main locations in the area as well as main locations overlooking 1st and 2nd Ring Roads as they reached KD 1,800. Prices stabilized in main sites covering an area of 1,000 M<sup>2</sup> of Port Saeed Street as they reached more than KD 1,600 per meter and stabilized in the internal sites of the area at KD 1,390 per meter. This price is still the lowest at the area level as at the end of Q2 2019.

**Table 8: Investment Land Prices at Capital Governorate**

Region	Building %	Area M <sup>2</sup>	Street	Land Market Value (KD)		Market Value /M <sup>2</sup> (KD)		Average price/ M <sup>2</sup> Q2 2019
				From	To	From	To	
Bneid Al Gar	250%	1,000	Gulf Road	2,700,000	3,000,000	2,700	3,000	2,850
	250%	500	Main	850,000	900,000	1,700	1,800	1,750
	250%	1,000	Internal	1,280,000	1,500,000	1,280	1,500	1,390
	250%	1,000	1 <sup>st</sup> & 2 <sup>nd</sup> Ring	1,700,000	1,900,000	1,700	1,900	1,800
<b>General Average in the Area</b>				<b>1,428,750</b>	<b>1,587,500</b>	<b>1,670</b>	<b>1,854</b>	<b>1,762</b>
Eastern Muqawa	240%	250	Internal	400,000	500,000	1,600	2,000	1,800
	400%	500	main	1,250,000	1,375,000	2,500	2,750	2,625
	400%	1,000	Shuhadaa	2,700,000	2,800,000	2,700	2,800	2,750
<b>General Average in the Area</b>				<b>1,362,500</b>	<b>1,476,250</b>	<b>2,250</b>	<b>2,503</b>	<b>2,376</b>
Dasman	400%	1,000	Gulf Road	3,800,000	4,000,000	3,800	4,000	3,900
	400%	1,000	Internal	2,150,000	2,400,000	2,150	2,400	2,275
	400%	750	Abdullah Al-Ahmed	2,000,000	2,100,000	2,667	2,800	2,733
<b>General Average in the Area</b>				<b>2,650,000</b>	<b>2,833,333</b>	<b>2,872</b>	<b>3,067</b>	<b>2,969</b>

Source: Kuwait Finance House

Note: the general average price for the areas in tables: 8 to 13 present the general average for several transactions. It has been evaluated by KFH in which are not included at these tables.

Accordingly, the reader may not be able to extract the general average price at the area based on price samples in each area included in the table. However, the general average price per square meter may be used as a price indicator.



## Hawalli Governorate

Average price in Hawalli governorate stabilized at KD 1,600 in Q2 i.e. an increase by 0.25% compared to Q1. Average price is going stable with the improvement in the decline ratio and recording a slight increase for the first time. Accordingly, annual decline ratios have improved and stabilized at 2% at the end of Q2.

Average price per meter stabilized in most of the governorate investment areas at the end of Q2 while prices increased slightly by less than 1% in Shaab area in which average price per meter stabilized at KD 1,880 and still the highest in the governorate. Prices stabilized in most of the governorate areas. Prices increased in other places of Gulf Road of 1,000 sm areas by 1.7%. Average price reached KD 2,950 which is the highest in Shaab area. Prices stabilized in certain places of Istiqlal street and in certain internal locations with lower price levels.

Prices in Salmiya area stabilized at less than KD 1,600 per square meter in most areas. Prices increased in the highest price areas by 1.8% in places overlooking Gulf Road where price per meter reached KD 2,800. Prices stabilized in lower price areas e.g. Amr Bin Al-Aas Street. Prices stabilized in some other locations at KD 1,680 per meter and some other locations in Hamad Al-Mubarak and Baghdad streets as they reached KD 1,680 per meter, as well as in certain locations of Al-Mugheera Bin Shuaba Street and Amman Street. Prices stabilized in certain locations of Qatar street at KD 1,550 and in main sites covering an area of 750 M<sup>2</sup> and internal locations of Salmia with same area size.

Prices stabilized in Jabriya area at KD1,550 in Q2. Average price per meter stabilized in most places in the area and higher price areas at KD 1,675 per meter. Prices stabilized in places overlooking 4th Ring Road at KD 1,670 and Shanakel and Hajri Mosque street at KD 1,600 or less. Prices stabilized in places overlooking Maghrib street. Prices did not witness any change in main and internal locations e.g. 750M<sup>2</sup> areas, thus recording KD 1,550 and KD 1,400 respectively in Q2.

Average price per meter in Hawalli area stabilized at KD 1,386 in Q2 & Q1. Prices stabilized in most of the locations in the area including those overlooking Fahaheel Road and Cairo Street at KD 1,550 and places overlooking Maghreb Street and Muthanna Street at KD 1,360. Prices stabilized in certain places of 4th Ring Road, Al-Hasan Al-Basri Street and Yarmouk Street and certain internal areas of Hawalli with 750M<sup>2</sup> area and 1,000M<sup>2</sup> area which recorded the lowest prices at KD 1,200.



**Table 9: Investment Land Prices at Hawalli Governorate**

Region	Building %	Area M <sup>2</sup>	Street	Land Market Value (KD)		Market Value /M <sup>2</sup> (KD)		Average price/ M <sup>2</sup> Q2 2019
				From	To	From	To	
Hawally	250%	750	Muthana	1,000,000	1,050,000	1,333	1,400	1,367
	250%	750	Qutaiba	1,050,000	1,150,000	1,400	1,533	1,467
	250%	750	Ahmed Bin Toloun	950,000	1,050,000	1,267	1,400	1,333
	250%	750	Maghrib	1,050,000	1,125,000	1,400	1,500	1,450
	250%	750	Sharhabeel	950,000	1,050,000	1,267	1,400	1,333
	250%	1,000	Internal	1,100,000	1,300,000	1,100	1,300	1,200
	<b>General Average in the Area</b>				<b>1,011,667</b>	<b>1,106,667</b>	<b>1,323</b>	<b>1,449</b>
Al Salmiya	250%	1,000	Gulf	2,600,000	3,000,000	2,600	3,000	2,800
	250%	750	Baghdad	1,150,000	1,250,000	1,533	1,667	1,600
	250%	750	Amman	1,100,000	1,150,000	1,467	1,533	1,500
	250%	750	Bahrain	1,150,000	1,250,000	1,533	1,667	1,600
	250%	750	Amr Bin Aas	1,235,000	1,350,000	1,647	1,800	1,723
	250%	1,000	Main	1,500,000	1,550,000	1,500	1,550	1,525
	250%	1,000	Internal	1,200,000	1,450,000	1,200	1,450	1,325
<b>General Average in the Area</b>				<b>1,180,000</b>	<b>1,299,688</b>	<b>1,525</b>	<b>1,679</b>	<b>1,602</b>
Al Shaab	250%	1,000	Gulf	2,800,000	3,100,000	2,800	3,100	2,950
	250%	750	Internal	1,000,000	1,200,000	1,333	1,600	1,467
<b>General Average in the Area</b>				<b>1,687,500</b>	<b>1,887,500</b>	<b>1,771</b>	<b>1,988</b>	<b>1,879</b>
Al Jaberiya	250%	1,000	4th Ring	1,650,000	1,700,000	1,650	1,700	1,675
	250%	1,000	Maghrib	1,450,000	1,550,000	1,450	1,550	1,500
	250%	1,000	McDonalds	1,600,000	1,750,000	1,600	1,750	1,675
	250%	750	Internal	980,000	1,125,000	1,307	1,500	1,403
<b>General Average in the Area</b>				<b>1,388,125</b>	<b>1,528,125</b>	<b>1,476</b>	<b>1,625</b>	<b>1,550</b>

Source: Kuwait Finance House



## Farwania Governorate

Prices in Farwaniya governorate are still remarkably stable as at the end of Q2, thus recording KD 1,410/- per square meter. Stability is clearly noticed since the beginning of 2017. However, average price per meter declined by 0.5% at the end of Q2 after witnessing lower decline ratios throughout 2018. Accordingly, prices have shown better performance compared to decline ratios in previous years.

Prices stabilized in most of the areas in Farwaniya Governorate in Q2 compared to Q1 including highest price investment areas in the governorate e.g. Riqqa'e area which has recorded KD 1,530 per meter. Prices stabilized in various locations overlooking 5th ring road and some locations opposite 4th ring road. Also, prices stabilized in main and internal places of Riqqa'e area at KD 1,470 and KD 1,360 respectively.

Average price stabilized at KD 1,410 per meter in Farwaniya area in Q2 and in places overlooking airport road KD 1450. Also, prices stabilized in main locations in the area and other lower price main areas. Prices in Jaleeb Al-Shoyoukh stabilized at KD 1,390, while it stabilized in main areas places overlooking 6th ring road, internal sites as well as places with 500 M<sup>2</sup> area as well as lowest price areas where average price reached KD 1,200 for internal places of 750 M<sup>2</sup> area. Prices have stabilized in Khaitan area at KD 1,310 while prices stabilized in several sites at the area and in main and internal streets as well as airport road. Prices declined at the end of Q2 in internal places and streets of 750 M<sup>2</sup> and 600 M<sup>2</sup> areas.



**Table (10) Investment Land Prices at Farwaniya Governorate**

Region	Building %	Area M <sup>2</sup>	Street	Land Market Value (KD)		Market Value /M <sup>2</sup> (KD)		Average price/ M <sup>2</sup> Q2 2019
				From	To	From	To	
Farwaniya	250%	750	Airport	1,050,000	1,165,000	1,400	1,553	1,477
	250%	750	6 <sup>th</sup> Ring	1,050,000	1,130,000	1,400	1,507	1,453
	250%	1,000	Internal	1,100,000	1,250,000	1,100	1,250	1,175
	250%	500	Main	750,000	800,000	1,500	1,600	1,550
<b>General Average in the Area</b>				<b>1,042,857</b>	<b>1,142,143</b>	<b>1,343</b>	<b>1,473</b>	<b>1,408</b>
Khaitan	250%	750	6 <sup>th</sup> Ring	1,050,000	1,130,000	1,400	1,507	1,453
	250%	1,000	Internal	1,100,000	1,250,000	1,100	1,250	1,175
	250%	600	Internal	725,000	840,000	1,208	1,400	1,304
<b>General Average in the Area</b>				<b>1,015,000</b>	<b>1,138,000</b>	<b>1,235</b>	<b>1,390</b>	<b>1,313</b>
Jaleeb Al Shuyoukh	250%	750	6 <sup>th</sup> Ring	1,050,000	1,130,000	1,400	1,507	1,453
	250%	750	Police Station	1,040,000	1,130,000	1,387	1,507	1,447
	250%	750	Main	1,000,000	1,100,000	1,333	1,467	1,400
	250%	500	Internal	625,000	750,000	1,250	1,500	1,375
<b>General Average in the Area</b>				<b>899,375</b>	<b>1,007,500</b>	<b>1,314</b>	<b>1,473</b>	<b>1,393</b>
Al Raqei	250%	750	4 <sup>th</sup> Ring	1,200,000	1,230,000	1,600	1,640	1,620
	250%	1,000	5 <sup>th</sup> Ring	1,500,000	1,600,000	1,500	1,600	1,550
	250%	1,000	4 <sup>th</sup> Ring	1,500,000	1,600,000	1,500	1,600	1,550
	250%	750	Internal Main	1,050,000	1,160,000	1,400	1,547	1,473
<b>General Average in the Area</b>				<b>1,155,000</b>	<b>1,252,857</b>	<b>1,464</b>	<b>1,599</b>	<b>1,531</b>

Source: Kuwait Finance House



## Mubarak Al-Kabeer Governorate

Average price per meter in Mubarak Al-Kabeer governorate increased by 1.4% to reach KD 1,290/- in Q2 compared to Q1. Prices in the governorate started taking an escalating trajectory while recording better ratios on quarterly basis. Decline ratios have continued to improve on annual basis since Mid-2016 accompanied by a stability in prices in the governorate for the first time since they started recording decline ratios during the said period.

Prices increased at the end of Q2 in most of the governorate areas compared to Q1. Average price increased in locations overlooking Fahaheel Road to reach KD 1,500. These locations are present in Sabah Al-Salem area and the increase reached 1.7% compared to Q1. Prices stabilized in locations overlooking 6th Ring Road at KD 1,425 while they increased in some locations and main streets in the area to reach KD 1,330 i.e. an increase by 1.5% compared to Q1. Average price increased in internal sites covering 750 M<sup>2</sup> area by 2.5%, thus recording KD 1,220. Average price stabilized in other internal sites of 1,000 M<sup>2</sup> area at Sabah Al-Salem area and reached KD 1,175 at the end of Q2 & Q1 2019.

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

Region	Building %	Area M <sup>2</sup>	Street	Land Market Value (KD)		Market Value /M <sup>2</sup> (KD)		Average price/ M <sup>2</sup> Q2 2019
				From	To	From	To	
Sabah Al Salem	250%	750	Internal	850,000	975,000	1,133	1,300	1,217
	250%	1,000	Main	1,200,000	1,400,000	1,200	1,400	1,300
	250%	1,000	Fahaheel	1,400,000	1,450,000	1,400	1,450	1,425
	170%	500	6th Ring	500,000	570,000	1,000	1,140	1,070
General Average in the Area				1,064,286	1,177,857	1,221	1,356	1,289

Source: Kuwait Finance House



## Ahmadi Governorate

Average price per square meter stabilized in Ahmadi Governorate in Q2 at KD 1,250 compared to the preceding quarter. This price is still the lowest price among investment areas at all Kuwait governorates level with a remarkable stability since Mid-2018. Accordingly, annual prices change ratios continue their improvement, thus declining by 1% in Q2 compared to double this percentage in the preceding quarter. These decline ratios are considered more favorable than previous years as they declined by 10% on annual basis since Mid-2017.

Prices stabilized in most of the governorate areas including Fahaheel area in which average price per meter reached KD 1,280/-. Prices stabilized in most of the locations in the area. Average price stabilized in most areas, and in the main streets at the limits of KD 1,400, and in certain parts of Mecca Street at KD 1,425 which are considered as the highest price locations in the area. Prices did not witness any change in Badawiya Street compared to Q1 and in certain internal locations of 1,000 M<sup>2</sup>, which are considered as the lowest price areas where price approximated KD 1,100/- per meter.

Mangaf area comes in second rank, price wise, among investment areas in the governorate. Average price stabilized at KD 1,281/- as at the end of Q2. Certain locations in the area witnessed stability in prices. Prices stabilized in the coastal strip zone at KD 1,675, which is considered the highest price area, and in certain locations of Mecca St. at less than KD 1,370. Prices stabilized in main locations of Fahaheel highway and Water Station Street. Average price reached KD 1,100 per meter in internal locations of 750 m<sup>2</sup>. Prices stabilized in other internal areas of 1,000 m<sup>2</sup> to approximate KD 1,000/-.

Prices stabilized in Abu-Halifa area at KD 1,260 in Q2. This stability covered most of the locations in the area. Most of the places on the coastal road and certain high price locations did not witness any change in prices as they recorded KD 1,630. Meanwhile, prices stabilized in internal locations at KD 1,150 and in some lowest price internal locations at KD 1,050 as at the end of Q2.

Prices stabilized in Fintas area at KD 1,217 with stability in most of the area locations. Certain other highest price locations on the coastal road did not witness any change and still considered as the highest price locations. Prices stabilized also in Mahboula area which is considered as the lowest price area in the governorate. Prices stabilized in most of the locations including those overlooking Fahaheel Highway and Internal areas covering an area of 750 M<sup>2</sup> and in some other internal and main areas.



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

Region	Building %	Area M <sup>2</sup>	Street	Land Market Value (KD)		Market Value /M <sup>2</sup> (KD)		Average price/ M <sup>2</sup> Q2 2019
				From	To	From	To	
Al Fintas	250%	750	Fahaheel	950,000	1,000,000	1,267	1,333	1,300
	250%	750	Main	850,000	975,000	1,133	1,300	1,217
	250%	1,000	Coast	1,600,000	1,650,000	1,600	1,650	1,625
<b>General Average in the Area</b>				<b>912,500</b>	<b>1,033,333</b>	<b>1,139</b>	<b>1,294</b>	<b>1,217</b>
Abu Halifa	250%	500	Internal	525,000	625,000	1,050	1,250	1,150
	250%	750	Main	850,000	975,000	1,133	1,300	1,217
	250%	1,000	Coast	1,600,000	1,650,000	1,600	1,650	1,625
<b>General Average in the Area</b>				<b>918,750</b>	<b>1,025,000</b>	<b>1,179</b>	<b>1,333</b>	<b>1,256</b>
Mangaf	250%	500	Internal	570,000	675,000	1,140	1,350	1,245
	350%	750	Main	1,000,000	1,050,000	1,333	1,400	1,367
	250%	1,000	Main	1,650,000	1,700,000	1,650	1,700	1,675
<b>General Average in the Area</b>				<b>966,429</b>	<b>1,057,143</b>	<b>1,221</b>	<b>1,340</b>	<b>1,281</b>
Mahboula	250%	500	Internal	525,000	625,000	1,050	1,250	1,150
	250%	750	Main	850,000	975,000	1,133	1,300	1,217
	250%	750	Fahaheel	950,000	1,000,000	1,267	1,333	1,300
	250%	1,000	Coast	1,600,000	1,650,000	1,600	1,650	1,625
<b>General Average in the Area</b>				<b>950,000</b>	<b>1,000,000</b>	<b>1,267</b>	<b>1,333</b>	<b>1,300</b>
Fahaheel	250%	500	Internal	600,000	675,000	1,200	1,350	1,275
	250%	750	Main	900,000	1,050,000	1,200	1,400	1,300
	250%	1,000	Mecca	1,400,000	1,450,000	1,400	1,450	1,425
<b>General Average in the Area</b>				<b>896,429</b>	<b>1,014,286</b>	<b>1,205</b>	<b>1,360</b>	<b>1,282</b>

Source: Kuwait Finance House





## Jahra Governorate

Prices in Jahra governorate improved slightly to reach KD 1,336/- in Q2 i.e. an increase by less than 0.5% compared to Q1 and continue stability for several quarters. Average price in this quarter did not witness any change on annual basis. Change ratios have taken a remarkable escalating trajectory on annual basis.

Prices did not witness any change in the investment areas of the governorate in Q2. Prices stabilized in most of the locations. Meanwhile, prices increased in certain places of Water Station Street by 1.3% compared to the preceding quarter. Prices stabilized in several main locations of the area with lower prices. prices stabilized in average price areas e.g. main and internal locations of 500M<sup>2</sup> and 1,000 M<sup>2</sup> area in investment areas. However, prices increased in internal locations to reach more than KD 1,125 per meter i.e. an increase by 0.5% compared to Q1.

**Table (13) Investment land Prices at Jahraa Governorate**

Region	Building %	Area M <sup>2</sup>	Street	Land Market Value (KD)		Market Value /M <sup>2</sup> (KD)		Average price/ M <sup>2</sup> Q2 2019
				From	To	From	To	
Al Jahraa	250%	1,000	Internal	1,000,000	1,250,000	1,000	1,250	1,125
	250%	1,000	Main	1,250,000	1,400,000	1,250	1,400	1,325
	250%	800	Khuzami St. (water station)	1,150,000	1,250,000	1,438	1,563	1,500
	250%	500	Main	680,000	780,000	1,360	1,560	1,460
<b>General Average in the Area</b>				<b>925,000</b>	<b>1,073,333</b>	<b>1,239</b>	<b>1,433</b>	<b>1,336</b>

Source: Kuwait Finance House



## Annual rate of return on Investment properties

Investment real estate are considered a distinct investment in generating competitive income compared to other investment opportunities. Returns on investment real estates have surpassed returns on commercial real estates in most of the governorates. Returns on investment real estates have been remarkably stable at the end of Q2 at 7.3% - 8.3%. In capital governorate, returns on investment real estate stabilized at 7.3% as at the end of Q2 2019, and have surpassed the returns on commercial real estate which has recorded 7.01%. Return ratios on investment real estate stabilized at 7.87% in Hawalli governorate while it equaled the rate of return on commercial real-estate at the governorate.

Average return on investment real estates reached 8.1% in Farwaniya governorate and slightly exceeded the rate of return on commercial real estates in this governorate. Average return in Ahmadi governorate reached 8.1% and improved slightly to reach 8.2% in Mubarak Al-Kabeer and reached 8.3% in Jahra as at the end of Q2 2019, thus exceeding the rate of return on commercial real estate which has reached 7.9%.



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

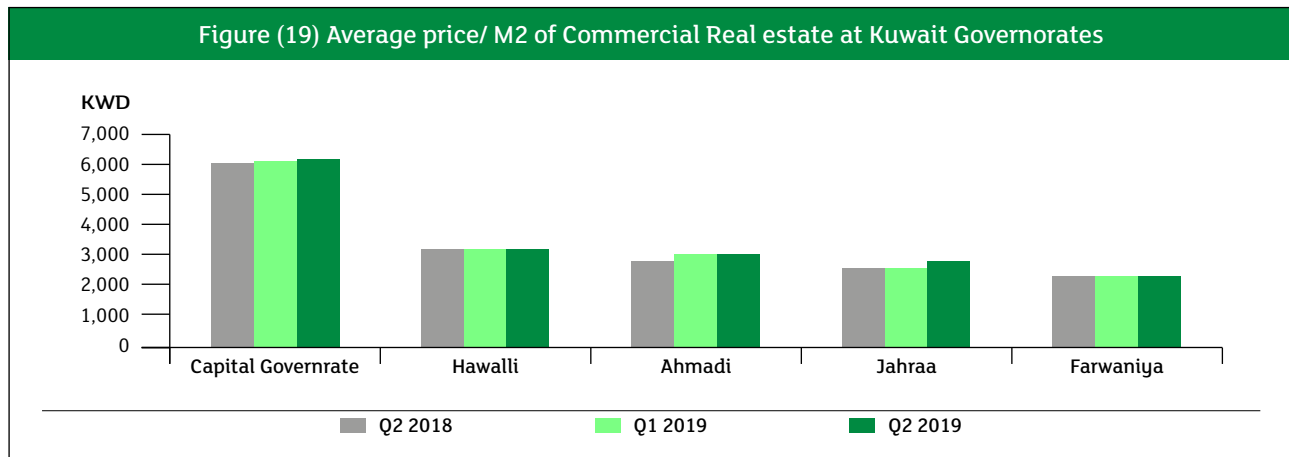
Governorate	Region	Building %	Area M <sup>2</sup>	Site	Sale Return/Annual Real Estate Income % Q2 2019		
					From	To	Average
Capital	Bneid Al Gar	250	1,000	Gulf	%6.75	%7.00	%6.88
	Bneid Al Gar	250	1,000	Istiqlal	%7.50	%7.50	%7.50
	Eastern Maqwa	240	250	Internal	%6.75	%7.00	%6.88
	Dasman	400	1,000	Gulf	%6.75	%7.00	%6.88
Hawalli	Hawalli	250	750	Muthana	%8.00	%8.25	%8.13
	Hawalli	250	1,000	Mousa Bin Nasir	%8.00	%8.25	%8.13
	Salmiya	250	1,000	Gulf	%6.75	%7.00	%6.88
	Salmiya	250	1,000	Hamad Mubarak	%7.75	%8.00	%7.88
	Shaab	250	1,000	Gulf	%6.75	%7.00	%6.88
	Shaab	250	1,000	Internal	%7.75	%8.00	%7.88
Farwaniya	Farwaniya	250	1,000	Airport	%8.00	%8.00	%8.00
	Farwaniya	250	750	Internal	%8.50	%8.50	%8.50
	Khaitan	250	750	Airport	%8.00	%8.00	%8.00
	Khaitan	250	750	Internal	%8.50	%8.50	%8.50
	Raqei	250	1,000	5th Ring	%7.75	%8.00	%7.88
Ahmadi	Fintas	250	500	Internal	%8.25	%8.50	%8.38
	Fintas	250	750	Main	%8.50	%8.50	%8.50
	Abu-Halifa	250	500	Internal	%8.25	%8.50	%8.38
	Abu-Halifa	250	1,000	Coast	%7.25	%7.50	%7.38
	Mahboula	250	750	Internal	%8.50	%8.75	%8.63
	Mahboula	250	750	Fahaheel	%8.25	%8.50	%8.38
	Mahboula	250	1,000	Coast	%7.25	%7.50	%7.38
	Fahaheel	250	500	Internal	%8.25	%8.50	%8.38
Al Jahraa	Fahaheel	250	750	Main	%8.50	%8.50	%8.50
	Jahraa	250	1,000	Internal	%8.25	%8.50	%8.38
Mubarak Al Kabeer	Jahraa	250	800	Khuzami	%8.00	%8.00	%8.00
	Sabah Al-Salem	170	500	Internal	%7.50	%7.50	%7.50
	Sabah Al Salem	250	1,000	Internal	%8.25	%8.50	%8.38

Source: Kuwait Finance House



### Third: Commercial Real Estate Prices

Commercial land prices improved as at the end of Q2 2019 to reach KD 3,500 at all governorates level i.e. an increase by 1.7% compared to a lower level in the preceding quarter. Prices continued to improve, and annual change ratio started to take an escalating trajectory. On annual basis, prices increased by 3.1%. Average price change ratio continued to increase till Q1 following the decline in prices witnessed in 2018. Prices are taking a strong escalating trajectory and average price is moving at slower pace compared to prices in residential sector but still surpass the movement in investment sectors.



Source: Kuwait Finance House

Prices in all governorates improved compared to Q1. Prices improved in capital governorate by 1% while they stabilized in Hawalli. Prices increased slightly in Ahmadi by 0.5% while they increased by more than 8% in Jahra. Prices did not witness any change in Farwaniya compared to Q1. Accordingly, prices witnessed a variable increase at the end of Q2 on annual basis.



## Capital Governorate

Average price per meter at Capital governorate improved to reach more than KD 6,100 as at the end of Q2 i.e. an increase by 1% compared to a lower level in Q1. Prices have increased on annual basis by a higher ratio 1.3% since Mid-2017, thus continuing its improving trend.

Price levels stabilized in most of the commercial real estate areas in capital governorate as at the end of Q2 including highest price areas downtown. Average price per meter reached KD 7,350 e.g. Mubarak Al-Kabeer (near Boursa) while average price did not exceed KD 6,400 in other locations of the street e.g. blocks area. While average price increased to KD 6,375 e.g. certain locations of Abdul-Aziz Al-Saqer Street (Shuhadaa) by 2% compared to the preceding quarter. Price stabilized at little less than that in Ali Al-Salem Street. Prices stabilized in certain areas downtown e.g. Sour Street reaching less than KD 6,000 while they reached KD 4,150 in other locations as at the end of Q1.

Prices stabilized in several places east city. Average price in Ahmed Al-Jaber Street, highest price area, recorded KD 6,625 per square meter. Prices have stabilized also in other locations e.g. Khaled Bin Al-Waleed street at KD 6,100 per square meter while they exceeded KD 6,000 in other locations of Jaber Al-Mubarak street.

Prices in most of Qibla areas did not witness any change as they reached KD 7,000 in certain places of Fahad Al-Salem Street and reached more than that KD 6,750 in other locations including Gharaballi Market i.e. an increase by 8% compared to Q1. Also, it reached and KD 6,100 in Abdullah Al-Mubarak Street. Prices stabilized in certain locations of Ali Al-Salem Street as they did not exceed KD 5,900 per meter while they increased by 1.5% in other locations, thus exceeding KD 5,000 including 1,000 m<sup>2</sup> areas. Average price in Mubarakiya area increased by 4.4% thus reaching KD 5,850 in Q2 2019.

**Table (15) Commercial Land Prices at Capital Governorate**

Region	Building %	Area M <sup>2</sup>	Street	Land Market Value (KD)		Market Value /M <sup>2</sup> (KD)		Average price/ M <sup>2</sup> Q2 2019
				From	To	From	To	
Qiblah	300 %	Mubarakiya	500	1,350,000	2,175,000	4,500	7,250	5,875
Sharq	520 %	Ahmad Al Jaber	500	4,687,500	5,250,000	6,250	7,000	6,625
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

Average price per meter of commercial land in Hawalli governorate stabilized at KD 3,210/-. This stability comes after the slight improvement witnessed in Q1 on quarterly basis and the remarkable stability witnessed since the beginning of 2018. On annual basis, prices did not record any change, the matter which is considered favorable compared to the continued decline in previous periods.

Average price stabilized in most of the commercial areas in the governorate and the highest price commercial areas. In Salmia and certain parts of Salem Al-Mubarak Street, price per meter stabilized at KD 3,750/- while price exceeded KD 3,100/- in certain places of Hamad Al-Mubarak Street. Prices stabilized in the commercial locations of Bahrain Street at more than KD 2,700 per meter.

Average price stabilized in Hawalli area and most of its commercial areas. Prices stabilized also in several places of Tunis St. and Beirut St. at KD 3,500/-. Average price in certain parts of Ibn Khaldoun Street reached KD 3,100. Meanwhile, prices stabilized in several available sites of Othman Street at less than KD 2,800 per meter as at the end of Q2 & Q1 2019.

**Table (16) Commercial Land Prices at Hawalli Governorate**

Region	Building %	Area M <sup>2</sup>	Street	Land Market Value (KD)		Market Value /M <sup>2</sup> (KD)		Average price/ M <sup>2</sup> Q2 2019
				From	To	From	To	
Hawalli	180%	Tunis	1,000	3,400,000	3,600,000	3,400	3,600	3,500
	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	3,000,000	4,500,000	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 stabilized in Farwaniya governorate at KD 2,315/- per meter as at the end of Q2 2019. Prices are still going stable for several quarters. Quarterly price change ratios in the governorate are improving. On annual basis, price per meter declined slightly by 0.25%, thus maintaining the annual change which continues to improve.

Prices stabilized as at the end of Q2 in most of Farwaniya governorate areas. However, prices are still recording variable increases in the governorate areas. Average price stabilized in the highest price areas in the governorate as at the end of Q2 e.g. Munawer Street in Farwaniya which has recorded KD 4,675 per square meter in places covering an area of 750 M<sup>2</sup>. In lower price areas, average price recorded less than KD 4,600 per meter in places covering an area of 1,000 M<sup>2</sup>. No changes were detected in several locations of Fire Brigade Street which has recorded KD 4,050.

Average price stabilized in Khaitan area in Q2 & Q1 e.g. locations opposite the commercial and office center where price reached KD 3,800 per meter. Average price increased in certain places of Jaleib Al-Shoyoukh area e.g. those located at Cooperative Society street by 2.1% compared to Q1. Meanwhile, prices stabilized in internal streets at KD 1,900 per meter.

Average price stabilized as at the end of Q2 in Dhajeej area including locations overlooking 6th Ring Road and internal locations at KD 1,180 per meter. Prices increased stabilized in Dhajeej internal areas by 2.9% to reach KD 900 compared to Q1. Prices in Dhajeej area – South Khaitan have increased e.g. places overlooking 6th Ring Road to reach KD 530 in areas in Q2. Prices in internal areas increased by 6.7% to reach KD 400. Prices stabilized in Ardiya area e.g. certain main streets as at the end of Q2 at KD 1,200 and stabilized in internal areas at KD 1,050 per square meter.

**Table (17) Commercial Land Prices at Farwaniya Governorate**

Region	Building %	Area M <sup>2</sup>	Street	Land Market Value (KD)		Market Value /M <sup>2</sup> (KD)		Average price/ M <sup>2</sup> Q2 2019
				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	3,500,000	4,000,000	3,500	4,000	3,750
Khaitan	180%	Opposite Office and Commercial	1,000	2,300,000	2,500,000	2,300	2,500	2,400
Jaleeb Al Shuyoukh (Background)	180%	Internal	1,000	1,800,000	2,000,000	1,800	2,000	1,900
Dhajeej (5000 m) 6th ring road (Background)	50%	6th Ring	5,000	5,500,000	6,250,000	1,100	1,250	1,175
Dajeej (South Khaitan)	250%	Internal	5,000	1,750,000	2,250,000	350	450	400
Ardiya – Warehouses	Ground 80% Mezani 50%	Main	1,000	1,100,000	1,250,000	1,100	1,250	1,175

Source: Kuwait Finance House



## Ahmadi Governorate

Prices at Ahmadi governorate increased to exceed KD 3,050 /- at the end of Q2 following the improvement witnessed during 2018 compared to the same periods in the preceding year in minimal ratios. On annual basis, average price per meter continued its robust escalating trajectory, recording increasing ratios which have reached 8.9% at the end of Q2, bearing in mind that these ratios have recorded a slight improvement in mid-last year.

Average price stabilized in most of the governorate commercial areas e.g. coastal road in Fahaheel where prices have exceeded KD 4,250 per square meter, thus making it the highest price area. Next comes prices in Dabous Street exceeding KD 3,750/-. Prices increased in several parts of Mecca Street by 2.1%, thus exceeding KD 3,700. Prices did not witness any change in several internal places in the area as they stood at KD 3,200 and KD 3,000/- per meter as at the end of Q2 2019.

Average price per square meter stabilized in most of the places in the governorate and in Fintas area, internal and main streets, at KD 3,500/-. Prices stabilized also at less than that in internal streets in the area. Prices did not witness any change in Azeezia Street at Mangaf as they recorded KD 1,950 per meter. Prices in Khiran Pearl are still the lowest at the governorate level, e.g. internal areas where prices approximated KD 1,100 in Q2.

**Table (18) Commercial Land Prices at Ahmadi Governorate**

Region	Building %	Area M <sup>2</sup>	Street	Land Market Value (KD)		Market Value /M <sup>2</sup> (KD)		Average price/ M <sup>2</sup> Q2 2019
				From	To	From	To	
Mangaf	300%	Aziziya	750	1,312,500	1,612,500	1,750	2,150	1,950
Fintas	180%	Main	1,000	3,400,000	3,600,000	3,400	3,600	3,500
Admin. & Comm.	180%	Internal	1,000	3,000,000	3,400,000	3,000	3,400	3,200
Fahaheel	180%	Internal	750	2,062,500	2,437,500	2,750	3,250	3,000
Fahaheel	180%	Coastal road	750	3,000,000	3,375,000	4,000	4,500	4,250
Fahaheel	180%	Mecca	750	2,700,000	2,887,500	3,600	3,850	3,725
Khiran Pearl	180%	Marina	2,000	2,000,000	2,300,000	1,000	1,150	1,075

Source: Kuwait Finance House





## Jahra Governorate

Average price per square meter in Jahra governorate stabilized at KD 2,820 as at the end of Q2 2019 i.e. an increase by 8% on quarterly basis. Prices maintained their annual robust escalating trajectory. Average price has recorded annual increase ratios in the governorate which has reached 8% in Q2.

Prices increased in most of the governorate areas as at the end of Q2 compared to the preceding quarter e.g. the highest price places such as the commercial and office center in Jahra, and in places where price per square meter reached KD 4,000 i.e. an increase by 9.6% compared to Q1. Average price increased in several places in Jahra area including Marzouq Al-Met'eb Street which has recorded KD 2,900 at the end of Q2 i.e. an increase by 7.4% on annual basis.

Price levels in Qaisariyat area increased in Q2, thus recording KD 2,850 i.e. an increase by 7.5%. Prices increased also in certain parts of Jahra area including places with an area of 1,000/- M<sup>2</sup> e.g. block 41, thus recording KD 2,350 per meter and in commercial locations e.g. Block 21 where average price reached KD 2,000 as at the end of Q2.

**Table (19) Commercial Land Prices at Jahra Governorate**

Region	Building %	Area M <sup>2</sup>	Street	Land Market Value (KD)		Market Value /M <sup>2</sup> (KD)		Average price/ M <sup>2</sup> Q2 2019
				From	To	From	To	
Jahraa	50%	Marzouk Al-Mat'aab	1,000	2,700,000	3,100,000	2,700	3,100	2,900
Jahraa Admin. & Comm. Center	300%	Admin. & Commercial	875	3,281,250	3,718,750	3,750	4,250	4,000
Jahra - Qaisariyat	300%	Block 20	225	607,500	675,000	2,700	3,000	2,850
Jahraa	50%	Block 21	1,000	1,900,000	2,100,000	1,900	2,100	2,000

Source: Kuwait Finance House



## Annual Rate of Return on Commercial Properties

Return ratios on commercial properties stabilized in most of the commercial areas in all governorates as at the end of Q2. However, rates of return are still relatively lower than the returns on investment properties in some governorates except Hawalli governorate where the rate of return on commercial properties is higher than the rate of return on investment property.

Average return on commercial property in Capital Governorate stabilized, thus recording 7% as at the end of Q2 compared to a higher return by 7.3% on investment real estates. Meanwhile, such ratios have reached 7.89% in Hawalli Governorate, thus exceeding returns on investment real estate in the governorate which has reached 7.87% because of the increased expectations related to the future of business and office sector, especially in significant areas. Average return on commercial real estates reached 8% in some distinguished areas of Salmiya while it ranges 7.7% - 8.1% in some other areas of Hawalli.

Average return on commercial properties in Farwaniya governorate reached 8.06% i.e. little less than the rate of return on investment properties in the governorate which has stabilized at 8.12%. Average return in some distinguished commercial areas reached 8.4% e.g. Jaleeb Al-Shoyoukh, Dhajeej and internal areas. Average return on commercial real estates in Jahra governorate stabilized at 7.9% i.e. less than the rate of return on investment properties 8.3%. The rate of return on commercial properties in Jahra commercial area reached 7.9%. The rate of return on commercial properties in Ahmadi governorate reached 7.91% compared to 8.1% on investment properties. The rate of return on commercial properties slightly exceeds 8.1% in Fintas and Fahaheel and exceeds 8.2% in distinguished areas at the governorate e.g. Mangaf at the end of Q2 2019.



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

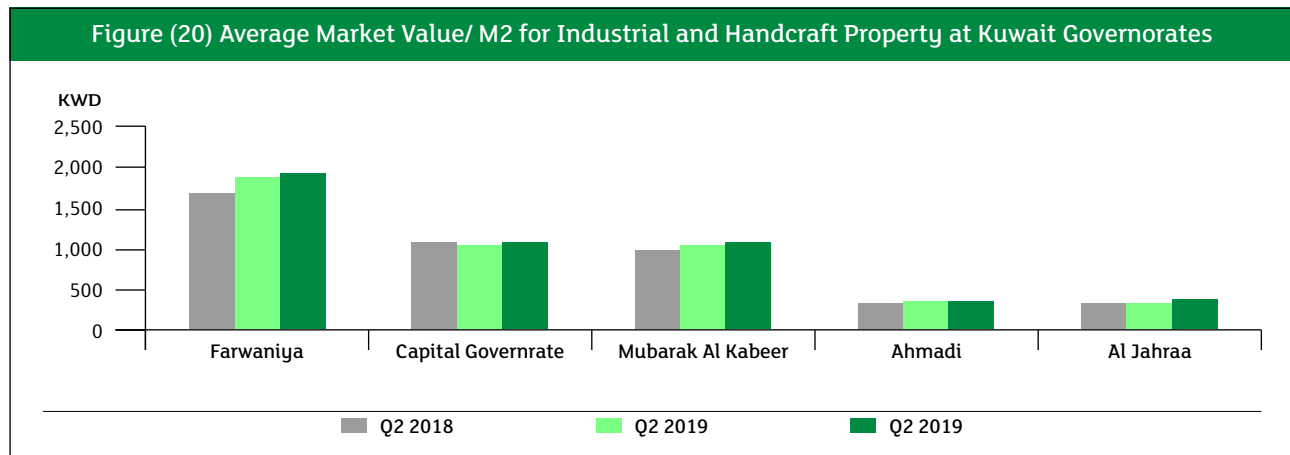
Governorate	Region	Building %	Street	Average Annual Return % Q2 2019		
				From	To	Average
Capital	Qiblah	300	Mubarakiya	%6.50	%7.00	%6.75
	Sharq	520	Ahmad Al Jaber	%7.00	%7.25	%7.13
	City	620	Sour	%7.00	%7.25	%7.13
	City	620	Mubarak Al-Kabeer (Blocks)	%7.00	%7.25	%7.13
	Qibla	620	Fahad Al-Salem	%7.00	%7.25	%7.13
Hawalli	Hawalli	180	Tunis	%7.50	%8.00	%7.75
	Hawalli	180	Beirut	%7.50	%8.00	%7.75
	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	%7.50	%7.75	%7.63
	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
Al Jahraa	Jahraa	180	Marzouk Al-Mat'aab	%7.75	%8.00	%7.88
	Jahraa	300	(Admin. & Commercial)	7.75	8.00	7.88
	(Admin. & Commercial)	300	(Admin. & Commercial)	%7.75	%8.00	%7.88
	Jahraa - Quisareyat	300	Plot 20	%7.50	%7.75	%7.63
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	%7.50	%8.00	%7.75

Source: Kuwait Finance House



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

Prices of industrial plots at all governorates level continue their escalating trajectory since mid-last year. This has contributed to the increase in average price per meter to reach KD 990 at the end of Q2 by 2.3% compared to the preceding quarter. Prices have increased in most of the industrial plots at the governorates except some plots in Capital governorate which has recorded minimal increase and Ahmadi which has stabilized compared to Q1. Average price increased on annual basis for all governorates by 7% compared to Q2 last year driven by the remarkable continued increase in prices in most of the governorates. Meanwhile average price in Capital governorate recorded a decline on annual basis.



Source: Kuwait Finance House



## Capital Governorate

At governorates level, average price per square meter increased in capital governorate as at the end of Q2, thus recording KD 1,089 compared to Q1 which has recorded an increase by less than 1% on quarterly basis. The escalating trajectory of prices which has started at the beginning of 2017 has slowed down. Meanwhile, average price per square meter declined by 3% on annual basis, which is considered as the first time for prices to decline on annual basis since the end of the year before last. It is noticed that the change ratio has taken the descending trend.

Average price stabilized in most of the industrial areas in the governorate at the end of Q. prices did not witness any change in most of the locations while they increased in some few locations at the governorate level. Locations where prices stabilized include Electricity Street, highest price in Industrial Shuwaikh, at KD 1,500 in certain locations. Average price in other industrial areas of this street reached KD 1,475 without any change compared to Q1. Prices stabilized in certain locations of Decoration Street and in some other locations. This area is considered as the second highest price area at the governorate level. Prices stabilized in certain locations of Canada dry Street as they reached KD 1,475 and stabilized in other locations of the same street at KD 1,150 at the end of Q2 and Q1.

Prices increased in showrooms and industrial plots located at the 4th Ring Road to reach KD 1,000 i.e. an increase by 2.6% for the second time respectively on annual basis. Prices stabilized in certain places of Jahra road and in certain industrial plots of Mohammed Bin Al-Qasem Street, thus recording KD 975 per meter, and in certain locations of Ghazzalli street at KD 775 per meter. Prices in certain internal locations of 1,000 M<sup>2</sup> area reached KD 575 and reached less than that to KD 478 in plots having an area of 22,500 M<sup>2</sup>.

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

Region	Allocation	Area M <sup>2</sup>	Building %	Street	Land Market Value (KD)		Average price/ M <sup>2</sup> Q2 2019
Industrial Shuwaikh	Showrooms + Industrial	1,000	100% Basement + 80% Ground + 50% Mezzanine	Canadadry St.	1,400,000	1,550,000	1,475
		5,000		Canadadry St.	5,000,000	6,500,000	1,150
		1,000		Shahrazad St.	800,000	1,100,000	950
		1,000		Decoration St.	725,000	775,000	1,500
		500		Decoration St.	1,400,000	1,550,000	1,475
		500		Electricity St.	3,750,000	4,500,000	825
		5,000		Pepsi St.	9,000,000	12,500,000	478
		1,000		4th Ring Road	850,000	1,100,000	975
		22,500		Internal	1,400,000	1,550,000	1,475
		1,000		Mohammad Al Qasim	5,000,000	6,500,000	1,150
		1,000		Ghazali St.	800,000	1,100,000	950
		<b>General Average in the Area</b>					<b>2,088,462</b>

Source: Kuwait Finance House

Note: the general average price for the areas in tables: 21 to 25 present the general average for several transactions. It has been evaluated by KFH in which are not included at these tables.

Accordingly, the reader may not be able to extract the general average price at the area based on price samples in each area included in the table. However, the general average price per square meter may be used as a price indicator.



## Farwania Governorate

Prices in Farwaniya governorate continue their escalating trajectory in the industrial real estate sector, thus reaching KD 1,950 at the end of Q2 and accompanied by a 2.8% quarterly increase which is less than half the increase recorded in Q1 reaching 6.2% which was the highest in 1.5 years. Average price in the governorate is still the highest at all governorates level. Price levels have enhanced their escalating trajectory at the end of Q2 and recorded an annual increase by 13% compared to another large increase by 11% in Q1 on annual basis.

Prices increased at the end of Q2 in most of the industrial areas in the governorate compared to Q1. Prices increased in Ardiya Handcraft area to exceed KD 2,950 i.e. an increase by 3.7% compared to Q1. This increase is the highest at the industrial areas level in the governorate. Prices increased in most of the locations in Ardiya including those overlooking 5th Ring Road by 1.3% where average price increased to reach KD 3,140. Average price in places opposite Ardiya warehouses exceeded KD 3,000 i.e. an increase by 4.1% compared to Q1. Also, prices increased in places opposite Ardiya residential area to reach KD 3,060 i.e. an increase by 5.5% at the end of Q2. Meanwhile, main internal areas recorded an increase by 4% to reach KD 2,600 compared to Q1.

Prices stabilized in Rai area at KD 939 as at the end of Q2. Prices stabilized in most of the area locations. Prices stabilized in the highest price area, Safat Al-Ghanem till Al-Nasr Sporting Showroom at KD 1,200. Prices stabilized at some other locations overlooking 4th Ring Road and certain parts of Mohammed Bin Al-Qasem Street at KD 950/- per meter. Prices stabilized in certain parts of Ghazalli Street to reach KD 900/- and increased in Car Showrooms area to reach KD 800/- at the end of Q2. Prices increased in the internal streets of the area to reach KD 575/- per meter in Q2.

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

Region	Allocation	Area	Building %	Site	Street	Land Market Value (KD)		Average price/ M <sup>2</sup> Q2 2019
						From	To	
Al Rai	Showrooms + Industrial	1,000	100% Basement	Main	Safat Al Ghanim (till Al Nasr Sports)	1,150,000	1,250,000	1,200
		1,000	80% Ground	Main	Ghazali St.	3,400,000	4,250,000	956
		4,000	50% Mezzanine	Main	Mohammad Al Qasim	500,000	650,000	575
<b>General Average in the Area</b>						<b>1,833,333</b>	<b>2,200,000</b>	<b>939</b>
Ardiya Craft Area	Crafts	250	100% Basement +	Main	Opposite Ardiya Stores	750,000	820,000	3,140
		250	80% GF +	Main	Opposite Ardiya Residential	730,000	800,000	3,060
		250	20% Mezzanine	Main	Internal	600,000	700,000	2,600
<b>General Average in the Area</b>						<b>702,0500</b>	<b>775,000</b>	<b>2,955</b>

Source: Kuwait Finance House



## Ahmadi Governorate

Average price per square meter stabilized to reach KD 397 as at the end of Q2 & Q1 in Ahmadi governorate. Prices have taken a slow escalating trajectory following a continued stability period since the beginning of 2017. This performance has reflected positively on the annual change ratio, marking an increase by 3% on annual basis for the second time respectively. Annual change ratio continued its strong escalating trajectory for the last two years.

Average price stabilized in most of the industrial areas at Ahmadi Governorate as at the end of Q2 & Q1. Prices in Fahaheel reached KD 675 (highest among industrial areas in the governorate). Prices stabilized in most of the area locations including high price areas e.g. certain parts of Sultan Center Street where they exceeded KD 1,000. Prices stabilized in other parts opposite refineries at KD 550 and in and internal streets in the area at KD 450 as average price.

Prices increased slightly in East Ahmadi industrial area to KD 402 at the end of Q2 i.e. an increase by 0.5% compared to Q1. Prices stabilized in several parts of the area while they increased in other places e.g. Mustafa Karam Street where it approximated KD 580 per meter i.e. an increase by 1.2% compared to Q1. Also, prices stabilized in several places of the main warehouses area covering an area of 5,000 m<sup>2</sup> and in certain internal warehouses covering an area 1,000 M<sup>2</sup>, where average price reached KD 375. Also, it stabilized in other locations covering an area of an area 5,000 M<sup>2</sup> at KD 315.

Prices stabilized in certain areas e.g. Shuaiba area and Mina Abdullah exceeding KD 110 and in the highest price areas e.g. Jawharat Al-Fanar, exceeding KD 190 per meter. Prices stabilized in most of the main parts of the area at KD 165 and internal places at KD 145 per meter while they stabilized at lower rates in East Shuaiba area. Prices stabilized in Mina Abdullah behind fuel station recording KD 137 at the end of Q2. Prices stabilized in most of the area locations at KD 100 and internal parts of Mina Abdullah at KD 22 per meter.

**Table 23: Industrial Plot Prices at Ahmadi Governorate**

Region	Allocation	Area M <sup>2</sup>	Street	Land Market Value (KD)		Average price/ M <sup>2</sup> Q2 2019
West Shuaiba		120,000	Behind Gas Station	8,500,000	10,500,000	79
West Shuaiba	Industrial	10,000	Internal	1,350,000	1,550,000	145
Mina Abdullah		1,000	Fanar	175,000	210,000	193
<b>General Average in the Area</b>				<b>2,440,556</b>	<b>2,917,222</b>	<b>113</b>
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	400,000	500,000	450
<b>General Average in the Area</b>				<b>600,000</b>	<b>750,000</b>	<b>675</b>
East Ahmadi Industrial Area	Showrooms + Industrial	75,000	Mustafa Karam	4,250,000	4,500,000	583
		5,000	Main	1,600,000	1,750,000	335
<b>General Average in the Area</b>				<b>1,925,000</b>	<b>2,075,000</b>	<b>402</b>

Source: Kuwait Finance House



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

Region	Allocation	Area	Street	Land Market Value (KD)		Average price/ M <sup>2</sup> Q2 2019
Abu Fatira Crafts	Showrooms	1,000	Main	1,900,000	2,000,000	1,950
Abu Fatira Crafts	Handcraft	5,00	Main	700,000	780,000	1,4800
<b>General Average in the Area</b>				<b>1,282,500</b>	<b>1,465,500</b>	<b>1,760</b>
Sabhan	Industrial	1,000	Main	400,000	550,000	475
		1,000	Pepsi	2,250,000	2,500,000	475
		5,000	Pepsi	350,000	400,000	375
<b>General Average in the Area</b>				<b>1,133,333</b>	<b>1,308,333</b>	<b>438</b>

Source: Kuwait Finance House

**Table 25: Prices of Industrial Plots in Al Jahraa Governorate**

Region	Allocation	Area	Street	Land Market Value (KD)		Average price/ M <sup>2</sup> Q2 2019
Amghara	Major	10,000	Internal	1,300,000	1,500,000	140
	Contractors	10,000	Main	850,000	1,000,000	185
	Minor	1000	Internal	165,000	190,000	178
	Contractors	1000	Main	190,000	210,000	200
<b>General Average in the Area</b>				<b>809,167</b>	<b>920,833</b>	<b>172</b>
Al Jahraa	Crafts	500	Internal	240,000	330,000	570
		500	Main	170,000	210,000	739
<b>General Average in the Area</b>				<b>205,000</b>	<b>270,000</b>	<b>655</b>

Source: Kuwait Finance House



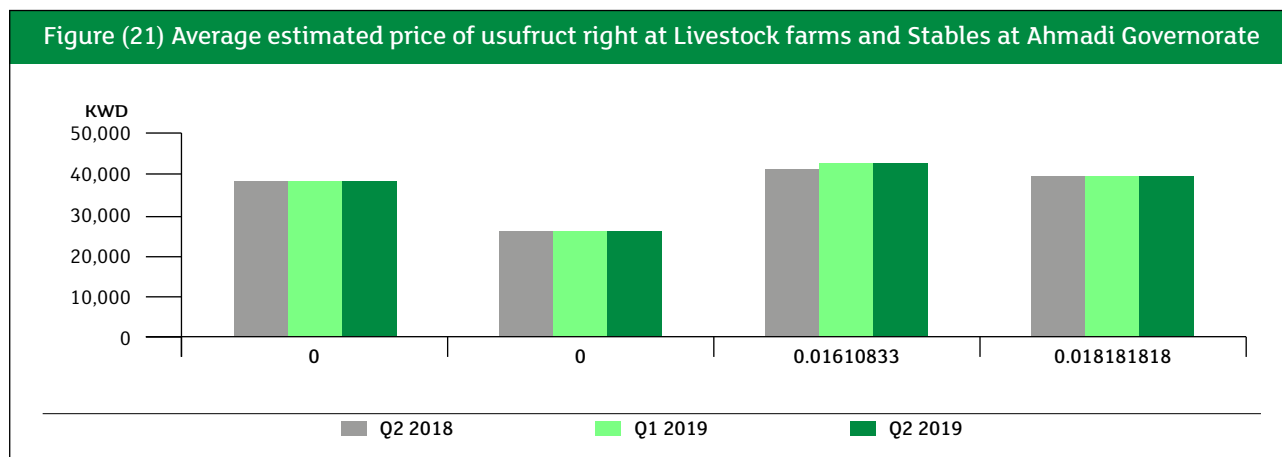


### Fifth: Prices of Farms and Livestock Pales

Prices of livestock pales and stables stabilized at the end of Q2 & Q1 and stabilized remarkably in most of the livestock pales and stables in Ahmadi Governorate. The estimated usufruct price of land having an area of 1,465 M<sup>2</sup> has stabilized at KD 35.4 Thousand without any change compared to Q1 while it increased by 1% on annual basis for the third time respectively.

Prices stabilized in certain governorate areas and improved in some of the other governorate areas. Estimated usufruct price of land in a 2,500 M<sup>2</sup> area at Kabd Farms stabilized at KD 43.3 Thousand. Price per meter in this area ranged KD 18 – 26. Average price per square meter of land in certain locations at the livestock pales area with 1,600 M<sup>2</sup> area stabilized at KD 40 Thousand. Price per meter in these areas ranges KD 22-28. Prices in usufruct land at Wafra farms stabilized as the estimated price for a 2,500 M<sup>2</sup> land approximated KD 38.8 Thousand while price per meter ranged KD 12 – 18 as at the end of Q2.

Equestrian stables witnessed stability in average price per square meter. Average price per square meter of usufruct land covering an area of 400 – 500 M<sup>2</sup> approximated KD 26.5 Thousand. Average price per square meter in internal areas ranged between KD 45 – 58 in a 500 M<sup>2</sup> area and ranged KD 60 – 70 in Racecourse and Golf field. Average price in other 400 M<sup>2</sup> locations reached KD 70 and reached KD 83 in other locations e.g. racecourse.



Source: Kuwait Finance House



## Agricultural Land in Jahra and Ahmadi Governorates

Prices stabilized in the farms area as at the end of Q2 & Q1. Estimated Average Price per square meter of usufruct land recorded KD 3 in agricultural land in Kuwait governorates. Prices stabilized in most of the locations and areas. Prices declined in to KD 3.3 per meter in Q2 compared to KD 3.8 in Q1 in land covering an area of 50,000 M<sup>2</sup>. Prices stabilized at KD 2.2 per meter for land covering 100 thousand M<sup>2</sup>. Prices stabilized in land covering 1 Million M<sup>2</sup> at KD 3.4 /M<sup>2</sup>. Average price per meter stabilized significantly in Ahmadi Governorate at KD 2.7 per meter and KD 3.2 in Jahra as at the end of Q2 2019.

Estimated average price for usufruct land in Jahra governorate ranged between KD 900 thousand – more than 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 / M<sup>2</sup>. Accordingly, the highest price for usufruct land reached KD 3.8 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.

Meanwhile, estimated average price per square meter in agricultural land in Ahmadi governorate - Wafra area covering an area of 100 thousand meters stabilized at KD 260 Thousand. Prices in areas covering 50 thousand meters stabilized at KD 138 Thousand as at the end of Q2 2019.

**Table 26: Prices of Farms and Livestock Pales**

Governorate	Region	Area	Site	Estimated Plot Usufruct Price (KD)		Price / M <sup>2</sup> (KD)		** A/P Q2 2019
				from	To	From	To	
Ahmadi	Kabd Pales	2,500	Internal	45,000	50,000	18	20	47,500
	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 2 2019 has coincided with the beginning Summer season (holidays season). This could be the reason behind the increase in demand on this type of lands. Average price per square meter at the sea front has stabilized as it is the case with the stability witnessed in certain real estate sectors during Q2 this year.

Average price per square meter at the sea front in Ahmadi governorate reached KD 14.4 Thousand as at the end of Q2 2019. Prices stabilized in most governorate areas e.g. Benaider and Jelai'a chalets where price reached KD 22 Thousand i.e. highest price at the governorate level. Prices stabilized in Al-Zour chalets at less than KD 12 Thousand and Nuwaiseeb area at KD 8.8 Thousand. Average price stabilized in several usufruct sites in Khiran and Mina Abdullah. Prices stabilized also in average price areas of Dhaba'eya.

Prices did not witness any change in Q2 in capital governorate compared to the preceding quarter as they stood at KD 6.6 Thousand. Prices stabilized in governorate areas e.g. Doha area. Prices stabilized also in Jahra governorate recording KD 4.8 Thousand and in certain chalets of Kazma KD 6 Thousand and Sabbiya KD 3.6 Thousand.

**Table 27: Chalet Prices at Al-Ahmadi Governorate**

Governorate	Region	Waterfront Length in Meters	Chalet Market Value		Price/Linear Meter - Waterfront (KD)		**A/P/m <sup>2</sup> Waterfront Q2 2019
			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 m<sup>2</sup>** in capital governorate has stabilized at KD 482 as at the end of Q2 2019 in a private residence real estate of 400 m<sup>2</sup> area. It reached KD 460 in Daeya, KD 500 in Qadisiya, and reached KD 540 in certain distinguished locations of the governorate e.g. Faiha area. Average rent value in Hawalli declined for the third time respectively by 3% on an annual basis to reach KD 443/- at the end of Q2. Average rent ranged between KD 400 - KD 450/- and reached KD 460 – 470 in certain distinguished areas e.g. Siddique and Shaab areas as at the end of Q2 2019. Meanwhile, average rent in Farwaniya governorate reached less than KD 360 i.e. a decline by 2% on annual basis. Average rent reached KD 350 for this area in most of the governorate areas. Also, it surpassed KD 380 in certain distinguished areas e.g. Ishbiliya. Average price in Mubarak Al-Kabeer area reached less than KD 360 for the same area i.e. a decline by 4% on annual basis. Average rent reached KD 360 in Addan and more than KD 380 in Sabah Al-Salem despite the decline by 7% on annual basis and reached KD 440 in Masayel. Average rent value stabilized in Ahmadi governorate on annual basis as it approximated KD 400. The price recorded KD 360 in Mangaf and KD 480 in Fintas. Average rent value stabilized on annual basis in Jahra Governorate as it reached KD 350 while it reached KD 360 in other places e.g. old Jahra sites as at the end of Q2.

**Rental value for a full floor in a private residence covering an area of 400 meters:** Average rent value for this category reached KD 880 as at the end of Q2 2019 compared to Q2 2018. Average value reached KD 900 in Qadisiya area and exceeded this value in some distinguished sites e.g. Edailiya, Faihaa and Rawda when it reached KD 1,000/-. Average value declined in Hawalli governorate as it recorded KD 832 and reached KD 850 in certain distinguished parts of the governorate e.g. Salaam, Hitteen and Sidique. Also, it reached KD 900 in most distinguished places. Average rent value in Farwaniya governorate reached KD 650 i.e. a decline by 3% on annual basis and reached KD 640 in most of the governorate areas e.g. Omariya and reached KD 700 in Ishbiliya (highest rental value at governorate level).

Average rental value stabilized in Ahmadi governorate at KD 660 in Q2, while it reached KD 640 in most of the areas and KD 700 in certain distinguished areas in the governorate e.g. Eqaila. Average rent value declined in Mubarak Al-Kabeer to KD 580 i.e. a decline by 5% on annual basis and recorded KD 640 in most of the areas e.g. Addan and Qurain areas i.e. a decline by 9% compared to Q2 last year. Average rent stabilized in Abu-Fatira and Sabah Al-Salem areas at 8%, thus recording KD 700 in both areas. In Jahraa governorate, average rent value reached KD 620 without a change on an annual basis, KD 600 in Saad Al-Abdullah and KD 640 in old Jahraa as at the end of Q2.

Average rental value for a full first or second floor at a private residence covering an area of 400 meter: Average rent value has exceeded KD 780 at capital governorate as at the end of Q2 without any change on annual basis and reached KD 900 in the highest price areas e.g. Edailiya, Faihaa and Rawda. Average rent value reached KD 740 in most of the governorate areas. In the lowest price areas in the governorate e.g. Ghernata and Sulaibikhat, average rent value reached KD 580 and KD 540. Average rent value declined in Hawalli governorate to reach KD 725 i.e. a decline by 1% on annual basis. Price reached KD 800 in some distinguished parts including Shaab area. Average rent recorded KD 750 in most of the governorate areas and stabilized on annual basis. Average rent reached KD 600 in the lowest price area e.g. Salwa while it declined in Farwaniya governorate to reach KD 550 i.e. a decline by 4% on annual basis. Also, it reached KD 600 in Ishbiliya and recorded KD 540 in most of the governorate areas as at the end of Q2.

Rental value at Ahmadi governorate stabilized on annual basis to reach KD 560 and reached more than this in certain governorate areas e.g. Eqaila area as it reached KD 600. Average rent in Mubarak Al-Kabeer governorate reached KD 480 i.e. a decline by 6% on annual basis, it declined in Sabah Al Salem, Addan, Qurain areas by limits of 10% reached KD 600, KD 540 respectively. Rent value stabilized in Jahra governorate, thus recording KD 520 as at the end of Q2.



## Investment Residence Rental Value

**Average rental value of a 2 bed rooms flat and a hall covering an area of 60 m<sup>2</sup> in capital governorate** stabilized at KD 315 in Q2 on annual basis. Prices have stabilized in most of the investment areas in the governorate. Average price reached KD 295 for the same area in Hawalli i.e. a decline by 1% compared to Q2 2018. Average value declined in Salmia by 2% to reach KD 290, Hawalli 4% to reach KD 275 and Jabriya 2% to reach KD 300 as at the end of Q2. Rental value declined in Farwaniya governorate by 1% as the average rent reached KD 281 and declined by 2% in Farwania and Khaitan areas to reach KD 280. Average value declined in Ahmadi governorate by 5% to reach KD 256 on annual basis. Prices declined in most of the governorate areas e.g. Fintas, Mahboula and Abu-Halifa by 4% - 7% to reach KD 250. Average rent value has declined also in Mubarak Al-Kabeer governorate by 2% recording KD 285 e.g. Sabah Al-Salem. Average value stabilized at Jahra governorate at KD 285 as at the end of Q2.

**Rental value of a 2 bed rooms flats + a hall covering an area of 70 – 74 m<sup>2</sup> in Q2 2019** stabilized at KD 345 in Capital governorate on annual basis. Average value declined in Hawalli governorate by 1% on annual basis to reach KD 325 e.g. Salmia and Hawalli 2% to reach KD 320 and KD 305. Rent value reached KD 311 in Farwaniya governorate i.e. a decline by 1% on annual basis while it declined by 2% in both Khaitan and Farwania to reach KD 310. Average value declined in Ahmadi governorate by 5% to reach KD 286 on annual basis. Average value declined by 3% in the distinguished areas of this governorate including Fahaheel and Mangaf while the decline reached 7% in less areas e.g. Mahboula and Fintas. Average rent for this area declined by 2% for Mubarak Al-Kabeer while it has not changed at Jahra governorates in Q2 as it stood at KD 315.

Rental value for investment apartments covering an area of 80 – 85 m<sup>2</sup> stabilized at KD 375 in Capital governorate as at the end of Q2. Prices stabilized in most of the areas in this governorate. Average value reached KD 355 in Hawalli governorate i.e. a decline by 1% on annual basis and declined by 1% in certain areas e.g. Salmia. Average value in Farwania governorate reached KD 341 i.e. a decline by 1% on annual basis. Average rent in Ahmadi governorate reached KD 316 i.e. a decline by 4% on annual basis while it reached KD 345 in Mubarak Al-Kabeer governorate i.e. a decline by 1%. Average value stabilized in Jahraa governorate on annual basis at KD 345.

**Rental value for a flat coving an area of 100 – 110 m<sup>2</sup>** stabilized at KD 425 in Q2 at Capital governorate level on annual basis compared to the same period last year. Average rent in Hawalli governorate reached KD 405 i.e. a decline by 1% at the governorate level. Average value ranged KD 380 – KD 400 in Farwania governorate i.e. a decline by 1% at the governorate level on annual basis. While it ranged KD 360 – KD 380 at Ahmadi i.e. a decline by 4% on annual basis. Average value in both Mubarak Al-Kabeer and Jahraa governorates reached KD 395 i.e. a decline by 1% in the first and without change in the second compared to the same period last year.

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 the aim 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 / m<sup>2</sup> in Hawalli and reached KD 35/- m<sup>2</sup> in certain distinguished areas downtown at the capital. Rental value of a commercial meter reached KD 50/- in Salmiya.

Average rent / m<sup>2</sup> 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 /m<sup>2</sup> in certain areas in Fahaheel and reached less than this when recorded KD 10/- in Mangaf. It has reached KD 12 – 16 or more 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 industrial area and Al-Rai ranged between KD 6.5 – 17. Prices differ according to different locations and other advantages and specifications. 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 5 – 12 while prices in Fahaheel industrial area ranged KD 6 – 15 per square meter in ground floor.



**Table 30: Average Rental Value for a newly built Private Residence in KD covering an area 400 m Kuwait Governorates during Q2 2019**

Hawalli Governorate	3 Bedrooms, a Hall & 4 Bathroom + Maid Room (1 <sup>st</sup> & 2 <sup>nd</sup> Floor) (135) m		Full Floor (Ground)		Full Floor (1 <sup>st</sup> & 2 <sup>nd</sup> )	
Siddique	400	520	800	900	700	800
Salaam	400	500	800	900	700	800
Hitteen	400	500	800	900	700	800
Shuhadaa	400	500	800	900	700	800
Zahraa	400	500	800	900	700	800
Shaab	420	520	850	950	750	850
Mishrif	380	480	750	850	650	750
Bayan	380	480	750	850	650	750
Mubarak Al-Abdullah	400	500	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 (1 <sup>st</sup> & 2 <sup>nd</sup> Floor) (135) m		Full Floor (Ground)		Full Floor (1 <sup>st</sup> & 2 <sup>nd</sup> )	
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



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

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

Mubarak Al-Kabeer Governorate	3 Bedrooms, a Hall & 4 Bathroom + Maid Room (1 <sup>st</sup> & 2 <sup>nd</sup> Floor) (135) m		Full Floor (Ground)		Full Floor (1 <sup>st</sup> & 2 <sup>nd</sup> )	
<b>Sabah Al-Salem</b>	350	420	650	750	550	650
<b>Masayel</b>	400	480	750	850	650	750
<b>Abu-Fatira – Residential</b>	350	420	650	750	550	650
<b>Addan</b>	320	400	590	690	490	590
<b>Qurain</b>	320	400	590	690	490	590

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





**Table 31: Average Rental Value Investment Properties in Kuwait Governorates during Q2 2019 (KD)**

Hawalli Governorate	2 Bedrooms, a Hall & Bathroom (60)m		2 Bedrooms, a Hall & 2 Bathrooms (70 - 74)m		2 Bedrooms, 2 Bathrooms (80 - 85)m		3 Bedrooms, a Hall & maid (100 - 110)m	
<b>Salmiya</b>	270	310	300	340	330	370	380	420
<b>Hawalli</b>	260	290	290	320	320	350	370	400
<b>Jabriya</b>	280	320	310	350	340	380	390	430
<b>Shaab</b>	300	330	330	360	360	390	410	440

Capital Governorate	2 Bedrooms, a Hall & Bathroom (60)m		2 Bedrooms, a Hall & 2 Bathrooms (70 - 74)m		2 Bedrooms, 2 Bathrooms (80 - 85)m		3 Bedrooms, a Hall & maid (100 - 110)m	
<b>Sharq</b>	300	330	330	360	360	390	410	440
<b>Qibla</b>	300	330	330	360	360	390	410	440
<b>Eastern Muqawa</b>	300	330	330	360	360	390	410	440
<b>Dasman</b>	300	330	330	360	360	390	410	440
<b>Bneid Al Gar</b>	300	330	330	360	360	390	410	440

Farwaniya Governorate	2 Bedrooms, a Hall & Bathroom (60)m		2 Bedrooms, a Hall & 2 Bathrooms (70 - 74)m		2 Bedrooms, 2 Bathrooms (80 - 85)m		3 Bedrooms, a Hall & maid (100 - 110)m	
<b>Khaitan</b>	260	300	290	330	320	360	370	410
<b>Farwaniya</b>	260	300	290	330	320	360	370	410
<b>Jaleeb Al Shuyoukh</b>	260	290	290	320	320	350	370	400
<b>Raqei</b>	270	310	300	340	330	370	380	420

Ahmadi Governorate	2 Bedrooms, a Hall & Bathroom (60)m		2 Bedrooms, a Hall & 2 Bathrooms (70 - 74)m		2 Bedrooms, 2 Bathrooms (80 - 85)m		3 Bedrooms, a Hall & maid (100 - 110)m	
<b>Fintas</b>	240	260	270	290	300	320	350	370
<b>Mahboula</b>	240	260	270	290	300	320	350	370
<b>Abu Halifa</b>	240	260	270	290	300	320	350	370
<b>Mangaf</b>	250	270	280	300	310	330	360	380
<b>Fahaheel</b>	260	280	290	310	320	340	370	390

Mubarak Al Kabeer Governorate	2 Bedrooms, a Hall & Bathroom (60)m		2 Bedrooms, a Hall & 2 Bathrooms (70 - 74)m		2 Bedrooms, 2 Bathrooms (80 - 85)m		3 Bedrooms, a Hall & maid (100 - 110)m	
<b>Sabah Al Salem</b>	270	300	300	330	330	360	380	410

Jahraa Governorate	2 Bedrooms, a Hall & Bathroom (60)m		2 Bedrooms, a Hall & 2 Bathrooms (70 - 74)m		2 Bedrooms, 2 Bathrooms (80 - 85)m		3 Bedrooms, a Hall & maid (100 - 110)m	
<b>Al Jahraa</b>	270	300	300	330	330	360	380	410



**Table 32: Average Rental Value Trading of Commercial Properties At Kuwait Governorates "Q2 2019" (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	12 – 14	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 - 35	12 - 16	8 – 10

\* 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 per Square Meter of Industrial Plots At Kuwait Governorates during Q2 2018 (KD)**

Areas	Basement	Ground Floor	Mezzanine	Price Index
Industrial Shuwaikh	2.5 - 4	6.5 - 17	3.5 - 4	Unit Area = 40 m
Al Rai	2.5 - 4	6.5 - 17	3.5 - 4	Excluding rental values in Avenues Mall
Sabhan	2.5 - 3	6 – 3.5	3 - 4	• Upon allocating stores for the GF, Price/M <sup>2</sup> ranges KD 4 - KD 5
Ardiya (Stores)	3 - 4 As per Height	6.5 - 7	3.5 - 4	• Price/M <sup>2</sup> = KD 8 – 6 for a 100-m <sup>2</sup> showroom at Ground Floor
	3 – 3.5 As per height	12 - 20	4 - 5	• Price/M <sup>2</sup> = KD 8 – 6 for a 100-m <sup>2</sup> showroom at Ground Floor
East Ahmadi	3 - 4	5 - 12	3 – 3.5	Auto Show & Restaurant Rentals are the highest
Industrial Fahaheel	3 – 4 As per Height	6 - 15	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 report highlights the general trends of Kuwait Real estate market trading prices. However, the method applied by the Evaluation and Studies department at KFH is dependent on the study of each property separately including features, rental value and returns 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:**

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 m<sup>2</sup>. 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.

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### Length

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- 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

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- The International unit for measuring length is the Square Meter (M<sup>2</sup>)
  - 1 Hectare = 10 Donum = 2.471 Feddan = 10,000 M<sup>2</sup>
  - Feddan or Acre = 4046.8 M<sup>2</sup>
  - 1 Donam = 1,000 M<sup>2</sup>
  - 1 Square Meter = 10,764 Feet
- 



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