



KFH LOCAL REAL ESTATE REPORT

Fourth Quarter 2010 - Kuwait

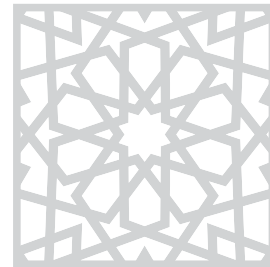
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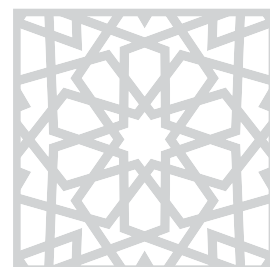
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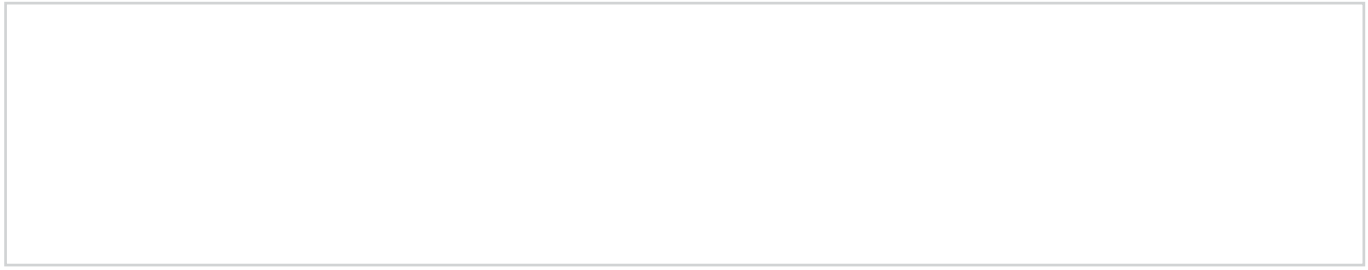
بيت التمويل الكويتي
Kuwait Finance House





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Fourth Quarter 2010 - Kuwait





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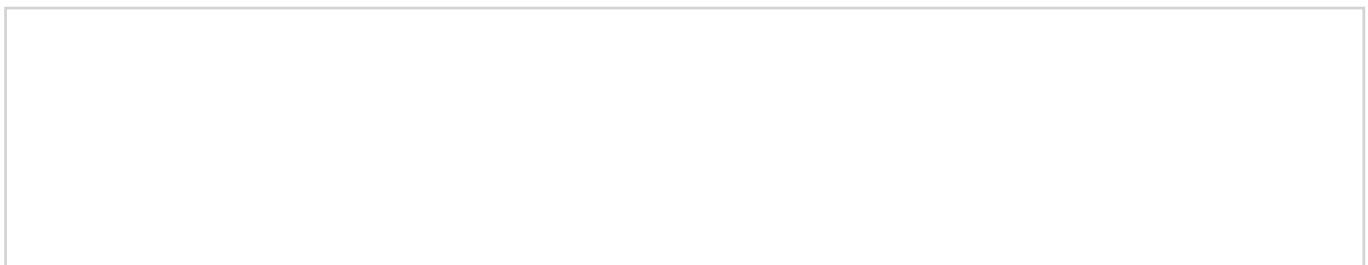
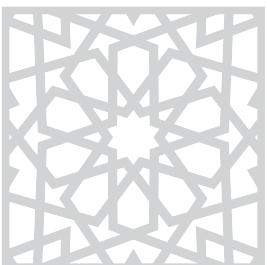
Marketing & Public Relations Dept.

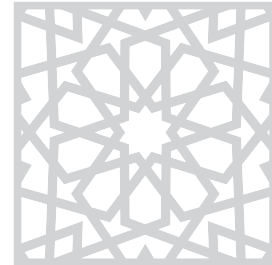
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Valued Reader

KFH is delighted to present to you the new edition of KFH Local Real Estate Report for the fourth quarter of 2010. The real estate sector is considered one of the most significant sectors in the local economy as it meets one of the basic needs of citizens. Also, the real estate sector has the ability to stimulate and trigger the local economy for it is linked to the most important economic sectors. In addition, this sector can attract and contain large investments in the field of infrastructure as well as provide employments for the labor force.

Accordingly, this report continues to analyze the price indices of real estate properties through all Governorates of Kuwait, as per location (Internal or Prime). This report reflects KFH's effort in providing a broad analysis of certain aspect of the real estate market in the State of Kuwait as it highlights the major qualitative and quantitative developments and activities on a regular basis. This report also includes a glossary of real estate terminology annexed herein.

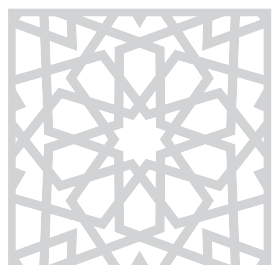
KFH relentlessly seeks to collect and monitor all official data and price indices on the local Real Estate Sector, present this data illustratively, monitor the real estate key performance indicators through a consolidated methodology, and publish the same periodically in order to raise awareness on the real estate and investment practices in the local market, encouraging the developmental role of the local market in the economy and helping customers and investors to take sound and well-informed investment decisions.

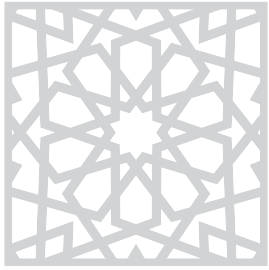
In addition to the local real estate performance analysis, the report reviews the major economic developments related to the activity of this real estate market as well as the related governmental regulations.

We genuinely hope that this report will come to be a key driver in the development of the real estate sector and of the investment activities, and will eventually contribute to the local development.



Emad Abdullah Al-Thaqeb
AGM, Finance Sector - KFH





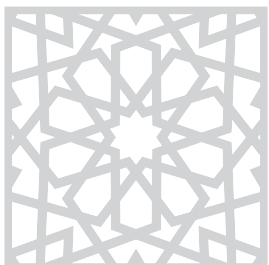
Introduction

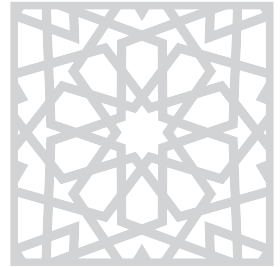
The year of 2010 can be considered a positive year for the real estate activities during which the real estate market was able to contain the global financial crisis upshots. Also, the real estate sector proved to be one of the solid sectors to face the repercussions of the global financial crisis, excluding the commercial offices sector in the Capital. Positive factors have pushed this sector to achieve trading averages above 2 billion Kuwaiti Dinar; which are higher than last year's averages equal to 21%. Many factors such as oil price stability which reached the highest averages and produced a budget surplus for the tenth consecutive year have contributed to the fast recovery of the real estate sector. All this indicates that development indices are increasing again, and the economic development of the country is taking up again which was inaugurated by the announcement of the 5-year 2010-2014 execution in February 2010.

The real estate sector has also witnessed the issuance of various regulations aimed at stimulating the real estate activities. The first was the introduction of the reciprocity of treatment principle the regulation allowing GCC citizens to be treated as Kuwaitis concerning land and real estate ownerships with conditions such as limits on area. Another regulation issued concerns the sorting and merging of residential, investment, commercial, coastal, industrial and craft plots which allows dividing areas of 1000 meter and 700 meter and a 30 meter façade where the plot's area should be at least 375 meter. Also, the ministry of commerce has issued a law to regulate real estate valuation according to special conditions for valuers. Finally, the National Assembly has issued various laws concerning women which entitles women to a loan from the savings and credit bank which will increase the demand on appropriation of apartments and houses.

In addition, the Kuwait Real Estate Clearing Company has started its work in 2010. Also, Kuwait Real Estate Clearing Company is a Kuwaiti closed shareholding Company established according to the Ministerial Decree issued in 2005. The Kuwaiti government acquired an influential stake in the company through the General Investment Authority, which acquired 36% whereas the Public Institution for Social Security acquired 15%. The other owners are public benefit associations and include property owners association with 9.5% share and the Brokers union which owns 30%. The General Investment Authority has increased its stake up to 52% at a later time.

The real estate market indicators showed signs of recovery and recuperation of activity during the fourth quarter especially with the demand increase with a relative scarcity of supply on profitable investment real estate properties and the increase of their returns which makes investment real estate more com-





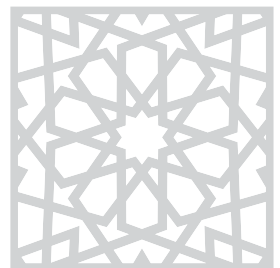
petitive compared to alternative investment returns. Prices in (Bneid Al Gar, East Side, Hawalli, Salmiya, Shaab, Jabriya, Farwaniya, Khaitan, Regai, Abo Hlaifa, Mangaf, Massila, Fintas) have increased from 1.5% to 5% whereas prices in (Jabriya, Jahra, Dasman) stayed stable.

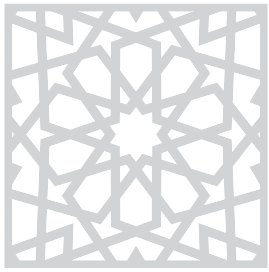
The commercial real estate sector is still suffering from a surplus in supply while the demand on offices is decreasing. Many indicators show that some of the commercial real estate activities have defaulted because of the decrease in the demand where all companies turned to minimizing their expenditures. This in turn has decreased the real estate occupancy rate of these properties especially the newly built commercial towers in the Capital. The occupancy rate in these towers has reached 51% on average in 2010, compared to a 92% occupancy rate in mid 2008. This leads to the decrease in the investment returns to 4.5% per year, an average of 35.5% decrease of the market value of this type of real estate before the global financial crisis in the last quarter of 2008. Accordingly, this emphasizes the crisis of this type of real estate properties which has contributed to the construction of Kuwait during the past five years.

Consequently, the real estate trading prices have been affected, especially in the Capital areas that are more affected by the economical crisis such as (Qibla, Ahmad Al Jaber Street, Khaled Bin Al Walid Street, Abdullah Al Mubarak Street, Al Sour Street, Mubarak Al Kabeer Street, Jaber Al Mubarak Street, Ali Al Salem Street) where prices suffered from a 5.5% decrease. On the other hand, prices remained stable in Hawalli and Jahra governorates whereas prices have increased to 6% in (Fahaheel, Khairan Pearl, Marina, Jleeb Al Shuyoukh, Dhajeej).

In contrast, the industrial real estate sector has witnessed an increase in demand and prices have increase to 5.8% in (Industrial Shuwaikh, Al Rai, Al Ahmadi showrooms, Sabhan) while Abo Ftira Craft Area experienced a 4.5% decrease in prices.

The residential real estate activities have witnessed a great increase where trading volume has registered a 53% increase compared to Q-3 with a slight prices movement. The trade operations are concentrated in the external regions while the real estate supply was near the ground in the internal regions in addition to the fact that some residential estates investments are being rented.



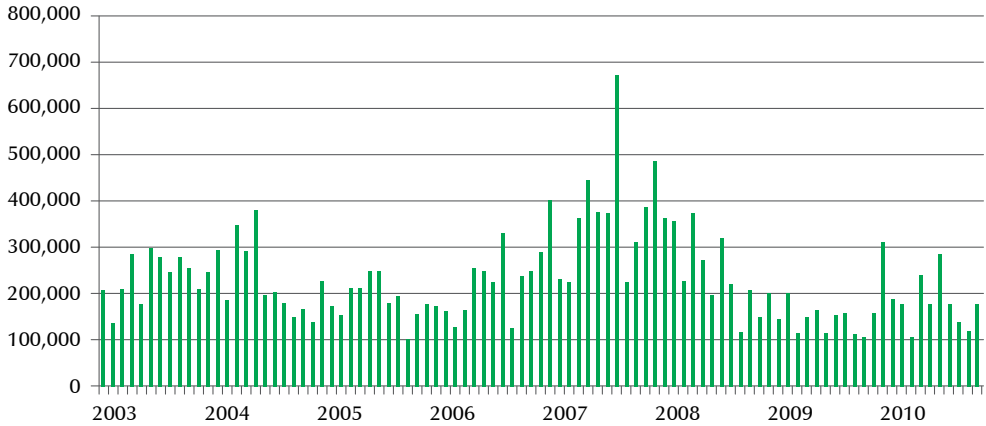


Market Trading Indices

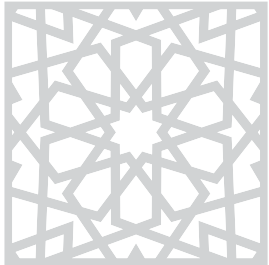
The real estate sector constitutes more than 7% of GDP, where over the past decades, the economic boom lead to an increase of income levels which in turn had augmented the demand on housing units (i.e. villas) that exceeded the supply margins due to the rapid increase of population and the governments inability to increase supply to meet such demands.

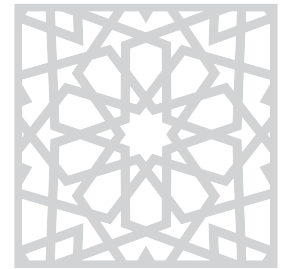
The Public Authority for Housing Welfare has submitted various initiatives and projects to the National Assembly offered by the Kuwaiti Government to launch giant companies into the different sectors of the economy, including the offering of a share to the public offering and pumping new investments in the Kuwaiti economy. Kuwaiti Government has also announced the signature of contracts to construct four residential cities including 22 thousand residential units within its five-year budget (2010-2014) aiming at setting up projects worth KD 37 billion in order to diversify the sources of income, attract more investments, and encourage the private sector’s participation in the government-led projects.

Monthly Real Estate Trading 2003-2010 (In KD Thousands)

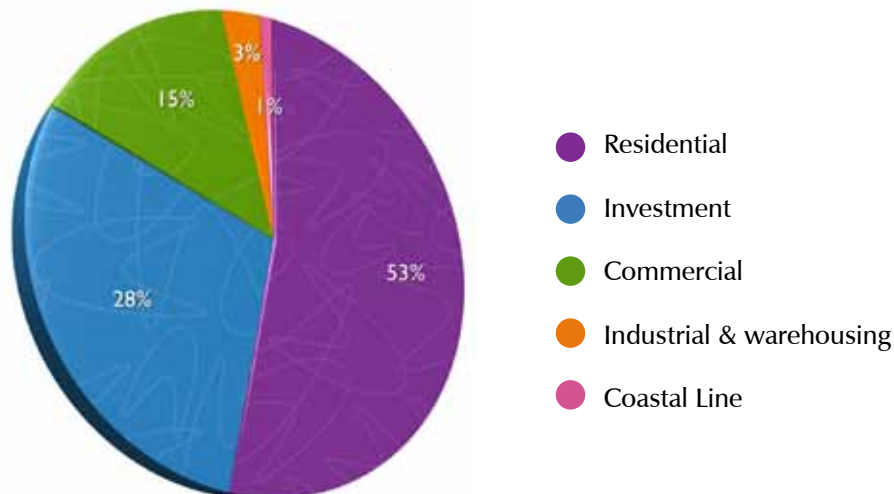


Source: Real Estate Registration and Authentication Department, Ministry of Justice





Real Estate Indices during Q4, 2010

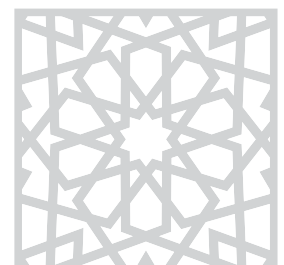


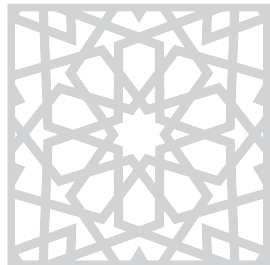
Source: Real Estate Registration and Authentication Department, Ministry of Justice

Regarding the overall real estate market, the trading indices posted by the Real Estate Registration and Authentication Department at the Ministry of Justice during Q4, 2010 showed an increase of KD 238,081 million equal to 54.6% as compared to KD 435,263 million in Q3 2010.

Private Housing Transactions

The private housing transactions have increased compared to the previous quarter thus reaching 53.1% of the total real estate trading valued KD 673,345 million, which reflects the huge demand on private housing by citizens. The private housing transactions have amounted to KD 357,737 million in Q4-2010, increasing 54.6% as compared to Q3-2010. The number of private housing transactions has increased by 31% to reach 1,384 transactions during Q4-2010 as compared to 1,053 in Q3-2010. Average transaction has increased during Q4-2010 to KD 258 thousand as compared to KD 215 thousand in Q3-2010. December 2010 recorded the highest trading rate accounting for 46.2% equal to KD 165,366 million of the total private housing transactions amounting to KD 357,737 million during Q4-2010 while October ranked second recording KD 102,492million recording 28.6%. November came last with KD 89.878 million accounting for 25.1% of the total private housing trading.



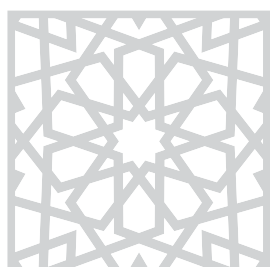


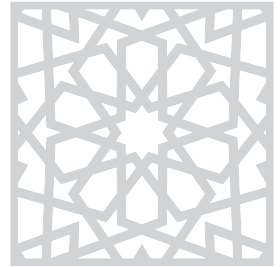
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Investment Real Estate Trends

The total trading of investment real estate increased notably during Q4-2010 to reach KD 188,348 million compared to KD 116,048 million in Q3-2010, with an increase of 62.3%. December came as a top volume leader in Q4-2010 recording KD 76,856 million, November came second recording KD 57,828 million, while August came third recording KD 53,664 million.

Governate	Area	% of Built Area	Area (sqm)	Annual rate of return on investment real estate, Q4, 2010 (%)			Average Q4 2010
				From	To	Average	
Capital	Bneid Al Gar	250 %	1,000	7.75 %	8.50 %	8.13 %	8.75 %
	East Al Mukwa'a	240 %	250	7.00 %	8.00 %	7.50 %	9.00 %
	East Al Mukwa'a	400 %	500	7.50 %	8.00 %	7.75 %	9.00 %
Hawally	Dasman	400 %	1,000	8.25 %	8.00 %	8.13 %	8.75 %
	Hawally	250 %	1,000	8.00 %	8.50 %	8.25 %	9.25 %
	Salmiya	250 %	1,000	8.00 %	8.50 %	8.25 %	9.00 %
Farwaniya	Shaab	250 %	1,000	7.75 %	8.50 %	8.13 %	8.75 %
	Farwaniya	250 %	1,000	8.75 %	9.00 %	8.88 %	10.50 %
	Khaitan	250 %	750	8.50 %	9.00 %	8.75 %	9.50 %
	Al Riqqae	250 %	750	8.75 %	9.00 %	8.88 %	9.25 %
Ahmadi	Fintas	250 %	750	9.00 %	9.50 %	9.25 %	9.75 %
	Abu Halifa	250 %	750	9.00 %	9.75 %	9.38 %	10.00 %
	Al Mangaf	250 %	750	9.00 %	9.75 %	9.38 %	10.00 %
	Mahboula	250 %	750	9.00 %	9.75 %	9.38 %	10.00 %
Jahra	Fahaheel	250 %	500	9.00 %	10.00 %	9.50 %	10.00 %
	Al Jahra	250 %	1,000	9.50 %	10.00 %	9.75 %	10.50 %
Mubarak Al Kabeer	Messila	250 %	750	8.50 %	9.50 %	9.00 %	8.75 %

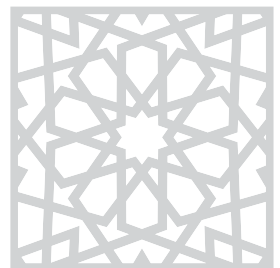


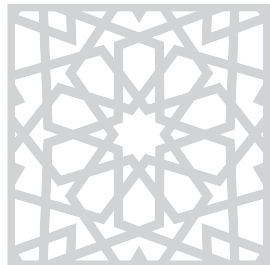


Commercial Real Estate Trends

Total commercial real estate trading ascended notably during Q4-2010 driven by the pessimistic view by certain traders, the tendency by other traders to sell their commercial properties as a result of the decreased sales turnover and the shrunken local consumption, especially in the retail trade and food stuffs. A low demand is also reported on the new commercial real estate properties offered for lease, driving some landlords to cut down the rental value. In addition, suspension of certain commercial real estate projects was also reported, as the value of trading is increased by 16.6% registering KD106,619 million as compared to Q3-2010, which reached KD 91.427 million decreasing its share of trading to 15.83 % of the total trading. Private real estate transactions accounted for 53.1%, investment transactions accounted for 27.9%.

December came first valuing KD 58.923 million, while October came the second registering KD 42.020 million, and November the third accounting for KD 5.676 million, and the average transaction registered 4.635 million KD during Q3 - 2010 compared to 7,032 million KD during Q3 – 2010.





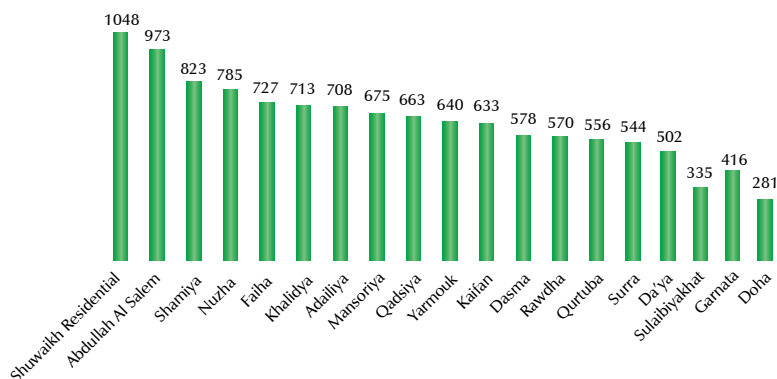
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Price Indices:

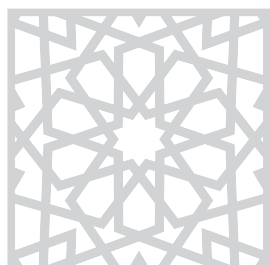
First: Prices of Private Housing Lands:

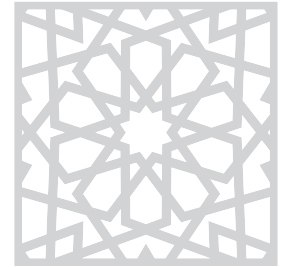
The State aims to complete more than 70 thousand housing units by the end of 2015. Since the number of applications reached 87 thousand with an increase of up to eight thousand applications each year. This situation has driven the state to take immediate actions and raise the offerings to provide the additional housing units so as the shortage in supply would not lead prices to soar. Market price indices monitored by KFH showed stability in the prices of residential lands during Q4-2010 in the Capital Governorate registering an average rate of KD 640.6 per square meter in Q4 – 2010 compared to 637.4 in Q3 – 2010, while other areas (Khaldiya, Daeya, Rawda) witness a slight increase (%1: 3.5).

Average rate of Private Housing in Capital Governorate- Q3, 2010



Area	M ²	% of Built Area	Location	Street	Value in KD *		Rate per Meter (KD)		AR in Q4-2010 (KD)*
					From	To	From	To	
Abdullah Al Salem	500	210 %	Internal		420,000	520,000	840	1,040	940.0
	750	210 %	Internal		650,000	750,000	867	1,000	933.3
	1,000	210 %	Internal		750,000	900,000	750	900	825.0
	750	210 %	Internal		750,000	940,000	1,000	1,253	1126.7
	1,000	210 %	Internal		900,000	1,180,000	900	1,180	1040.0
Overall average in the region					694,000	858,000	871	1,075	973.0



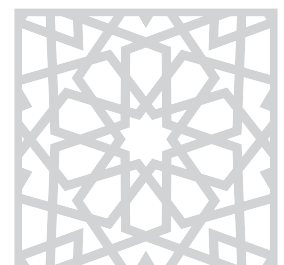


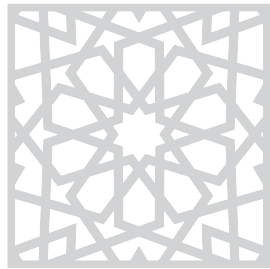
Area	M ²	% of Built Area	Location	Street	Value in KD *		Rate per Meter (KD)		AR in Q4-2010 (KD)*
					From	To	From	To	
Shamiya	250	210 %	Internal		180,000	250,000	720	1,000	860.0
	500	210 %	Internal		330,000	450,000	660	900	780.0
	750	210 %	Internal		450,000	560,000	600	747	673.3
	1,000	210 %	Internal		650,000	850,000	650	850	750.0
	500	210 %	Internal		400,000	500,000	800	1,000	900.0
	750	210 %	Internal		550,000	800,000	733	1,067	900.0
	1,000	210 %	Internal		800,000	1,000,000	800	1,000	900.0
Overall average in the region					480,000	630,000	709.0	937.6	823.3

Area	M ²	% of Built Area	Location	Street	Value in KD *		Rate per Meter (KD)		AR in Q4-2010 (KD)*
					From	To	From	To	
Al Adailiya	500	210 %	Internal		300,000	380,000	600	760	680.0
Al Adailiya	500	210 %	Prime		350,000	450,000	700	900	800.0
Al Adailiya	750	210 %	Internal		400,000	500,000	533	667	600.0
Al Adailiya	750	210 %	Prime		440,000	550,000	587	733	660.0
Al Adailiya	1,000	210 %		3rd Ring	700,000	800,000	700	800	750.0
Al Adailiya	1,000	210 %		4th Ring	700,000	750,000	700	750	725.0
Al Adailiya	1,000	210 %		Damas-cus	700,000	750,000	700	750	725.0
Al Adailiya	1,000	210 %		Al Riyadh	700,000	750,000	700	750	725.0
Overall average in the region					536,250	616,250	652.5	763.8	708.1

* (KD) Valued in Kuwaiti Dinar

* AR means average rate per square meter in KD.

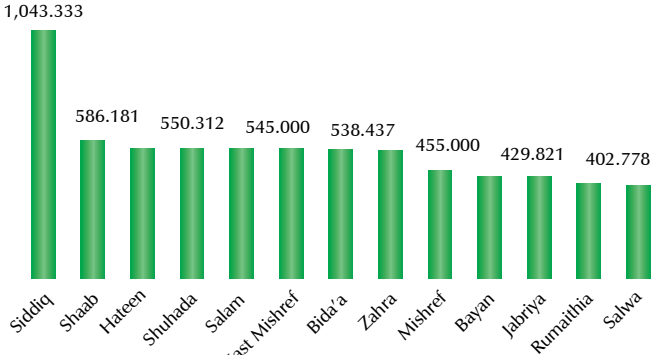




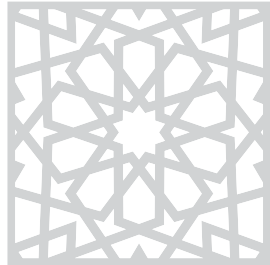
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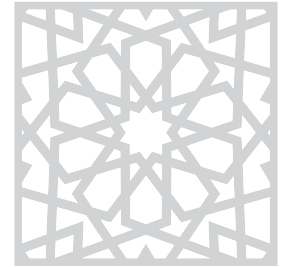
According to the latest KFH survey, prices in Hawally Governorate remained stable in (Shaab, Jabriya, Rumaithiya, Salwa, Bayan, West Mishref, Al Sala,, Hateen, Al Saddiq, Bidaa).

Average Rate of Private Housing in Hawally Governorate- Q4, 2010



Area	% of Built Area	M ²	Location	Street	Value in KD *		Rate per Meter (KD)		AR in Q4-2010 (KD)*
					From	To	From	To	
Salam	210 %	400	Internal		210,000	230,000	525	575	550.0
	210 %	400	Prime		235,000	250,000	588	625	606.3
	210 %	500	Internal		230,000	265,000	460	530	495.0
	210 %	500	Prime		250,000	300,000	500	600	550.0
	Overall average in the region					231,250	261,250	518	583
Hateen	210 %	400	Internal		210,000	230,000	525	575	550.0
	210 %	400	Prime		235,000	250,000	588	625	606.3
	210 %	500	Internal		230,000	265,000	460	530	495.0
	210 %	500	Prime		250,000	300,000	500	600	550.0
	Overall average in the region					231,250	261,250	518	583
Shuhada	210 %	400	Internal		210,000	230,000	525	575	550.0
	210 %	400	Prime		235,000	250,000	588	625	606.3
	210 %	500	Internal		230,000	265,000	460	530	495.0
	210 %	500	Prime		250,000	300,000	500	600	550.0
	Overall average in the region					231,250	261,250	518	583





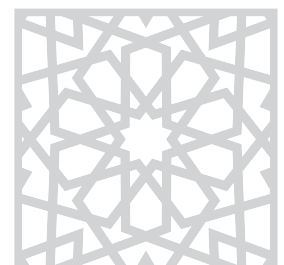
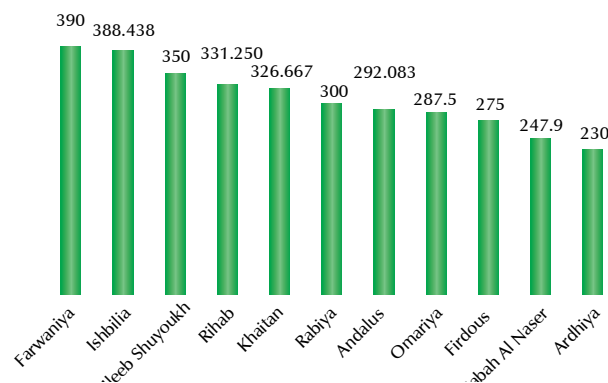
Area	% of Built Area	M ²	Location	Street	Value in KD *		Rate per Meter (KD)		AR in Q4-2010 (KD)*
					From	To	From	To	
Zahra	210 %	400	Internal		205,000	230,000	513	575	543.8
	210 %	400	Prime		230,000	250,000	575	625	600.0
	210 %	500	Internal		220,000	250,000	440	500	470.0
	210 %	500	Prime		245,000	295,000	490	590	540.0
	Overall average in the region					225,000	256,250	504	573
Sadeeq	210 %	400	Internal		210,000	230,000	525	575	550.0
	210 %	400	Prime		235,000	250,000	588	625	606.3
	210 %	500	Internal		225,000	250,000	450	500	475.0
	210 %	500	Prime		250,000	295,000	500	590	545.0
	Overall average in the region					230,000	256,250	516	573

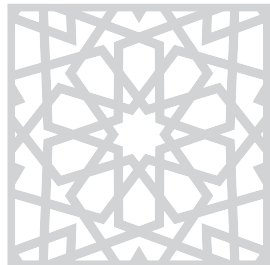
* (KD) Valued in Kuwaiti Dinar

* AR means average rate per square meter in KD.

The Farwaniya Governorate has recorded an average price rate of KD 310 per square meter during Q4-2010. According to the latest study conducted by KFH, price indices of Ashbeelia, Farwaniya, Khaitan, Jleeb Al Shuyoukh, Ardiya, Sabah Al Nasser, Al Fardous, Al Ardiya, and Al Rabiya remained stable.

Average Rate of Private Housing in Farwaniya Governorate- Q4, 2010



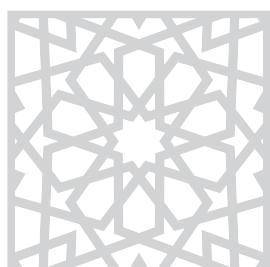


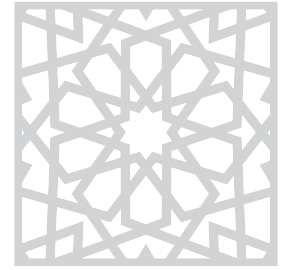
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Area	% of Built Area	M ²	Location	Value in KD *		Rate per Meter (KD)		AR in Q4-2010 (KD)*
				From	To	From	To	
Andalus	210 %	500	Internal	130,000	145,000	260	290	275.0
Andalus	210 %	500	Prime	155,000	185,000	310	370	340.0
Andalus	210 %	750	Internal	170,000	210,000	227	280	253.3
Andalus	210 %	750	Prime	215,000	235,000	287	313	300.0
Overall average in the region				167,500	193,750	271	313	292.1
Rabiya (Existing House)	210 %	500	Internal	130,000	145,000	260	290	275.0
Rabiya (Existing House)	210 %	500	Prime	150,000	175,000	300	350	325.0
Overall average in the region				140,000	160,000	280	320	300.0
Ishbiliya	210 %	400	Internal	140,000	170,000	350	425	387.5
Ishbiliya	210 %	400	Prime	155,000	190,000	388	475	431.3
Ishbiliya	210 %	500	Internal	155,000	185,000	310	370	340.0
Ishbiliya	210 %	500	Prime	175,000	220,000	350	440	395.0
Overall average in the region				156,250	191,250	349.4	427.5	388.4
Farwaniya	210 %	500	Internal	175,000	190,000	350	380	365.0
Farwaniya	210 %	500	Prime	185,000	230,000	370	460	415.0
Overall average in the region				180,000	210,000	360.0	420.0	390.0
Khaitan	210 %	750	Internal	200,000	240,000	267	320	293.3
Khaitan	210 %	750	Prime	240,000	300,000	320	400	360.0
Overall average in the region				220,000	270,000	293	360	326.7

* (KD) Valued in Kuwaiti Dinar

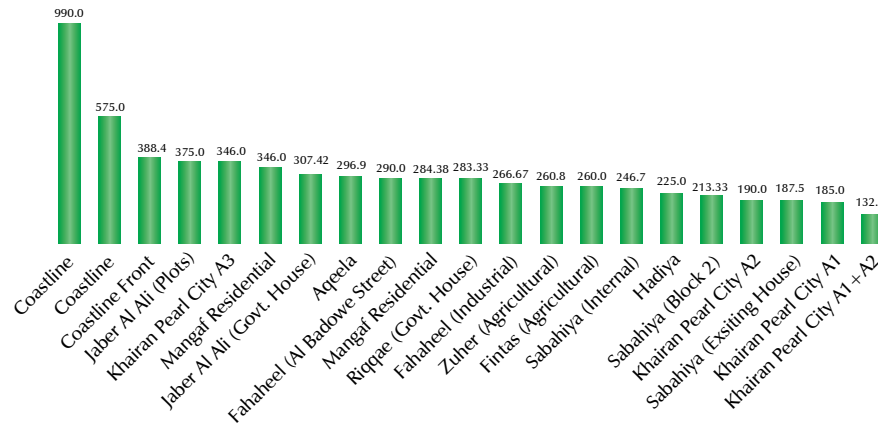
* AR means average rate per square meter in KD.





In the Ahmadi Governorate, the prices have witnessed an increase to reach an average price of KD 315 per square meter in Q4- 2010, compared to KD 303 per square in meter Q3- 2010, where prices have risen in Al Fintas, Hadiya, Al Mangaf, Al Sabahiya, Al Dhahar, Fahaheel and Al Riqqae from 2 to 8%.

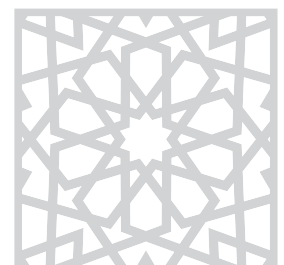
Average Rate of Private Housing in Ahmadi Governorate- Q4, 2010

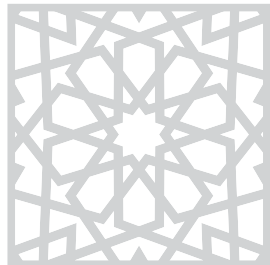


Area	% of Built Area	M ²	Location	Value in KD *		Rate per Meter (KD)		AR in Q4-2010 (KD)*
				From	To	From	To	
Fintas Agricultural	210 %	1000	Internal	200,000	350,000	200	350	275.0
Hadiya	210 %	750	Prime	175,000	220,000	233	293	263.3
Aqeela	210 %	400	Internal	135,000	170,000	338	425	381.3
Khairan City (Residential)	210 %	400		35,000	59,000	88	148	117.5
Mangaf (Residential)	210 %	375	Internal	120,000	155,000	320	413	366.7
Mangaf (Residential)	210 %	500	Prime	140,000	180,000	280	360	320.0
Jaber Al Ali (Plots)	210 %	400		140,000	180,000	350	450.0	400.0
Zuher (Existing House)	210 %	278		65,000	85,000	234	305.8	269.8
Sabahiya (Existing House)	210 %	600	Internal	115,000	135,000	192	225.0	208.33
Sabahiya (Block 2)	210 %	750	Internal	150,000	190,000	200	253.3	226.67
Riqqae (Govt. House)	210 %	400	Prime	100,000	140,000	250	350.0	300.00

* (KD) Valued in Kuwaiti Dinar

* AR means average rate per square meter in KD.

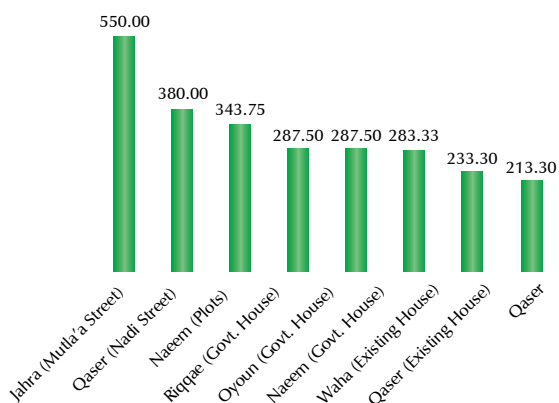




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Prices stabilized in Al Jahra Governorate in Al Jahra, Al Oyoum, Al Naem, and Al Waha where the average price reached KD 322.3 per square meter.

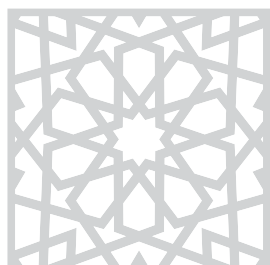
Average Rate of Private Housing in Jahra Governorate - Q4, 2010

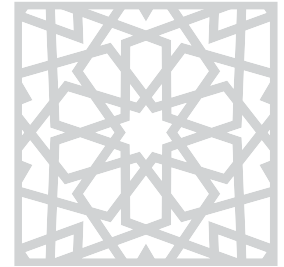


Area	% of Built Area	M ²	Location	Value in KD *		Rate per Meter (KD)		AR in Q4-2010 (KD)*
				From	To	From	To	
Al Qasr	210%	750	Internal	140,000	180,000	187	240	213.3
Al Qasr (Nadi Street)	210%	1000		360,000	400,000	360	400	380.0
Al Qasr (Existing House)	210%	600	Internal	130,000	150,000	217	250	233.3
Jahra (Mutlaa Street)	210%	400	Prime	210,000	230,000	525	575	550.0
Al Oyoum (Government House)	210%	400	Internal	105,000	125,000	263	313	287.50
Al Naem (Plots)	210%	400	Prime	125,000	150,000	313	375	343.75
Al Naem (Government House)	210%	400		105,000	125,000	263	313	287.50
Al Waha (Existing House)	210%	300		80,000	90,000	267	300	283.33

* (KD) Valued in Kuwaiti Dinar

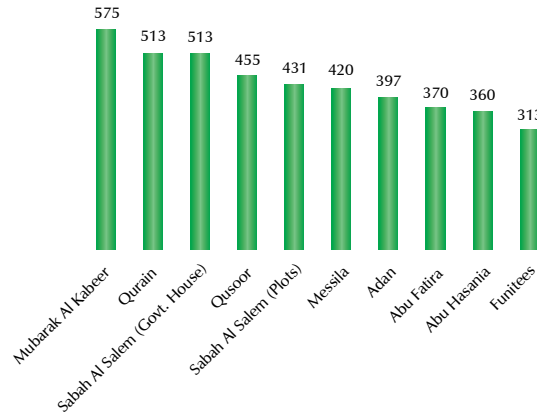
* AR means average rate per square meter in KD.





Mubarak Al Kabir Governorate has registered an increase in prices where the average price per square meter reached KD 425.3 in Q4-2010 compared to KD 402.9 in Q3-2010. According to the latest studies conducted by KFH, the price increases have varied between 4% and 10% in areas such as Abo Al Hasania, Massila, Al Funaitees, Al Adan, Al Qusoor, and Mubarak Al Kabir.

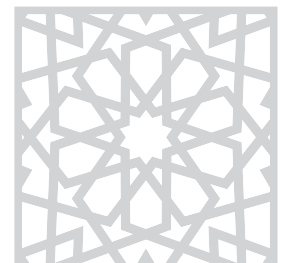
Average Rate of Private Housing in Mubarak Al Kabeer Governorate - Q4, 2010

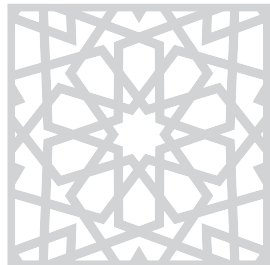


Area	% of Built Area	M ²	Location	Street	Value in KD *		Rate per Meter (KD)		AR in Q4-2010 (KD)*
					From	To	From	To	
Abu Hasania	120 %	750	Internal	Fahaheel	382,500	562,500	510	750	630.0
	120 %	750			487,500	600,000	650	800	725.0
	120 %	750	Sea		862,500	900,000	1,150	1,200	1175.0
Overall average in the region					577,500	687,500	770.0	916.7	843.3
Messila	210 %	400	Internal	Prime	145,000	200,000	362.5	500.0	431.3
	210 %	500			165,000	225,000	330	450	390.0
	Overall average in the region					155,000	212,500	346.3	475.0
Funitees	210 %	400	Internal	Prime	125,000	175,000	312.5	438	375.0
	210 %	500			140,000	200,000	280	400	340.0
	Overall average in the region					132,500	187,500	296.3	418.8
Abu Fatira (East Qurain)	210 %	400	Internal	Prime	117,000	170,000	292.5	425	358.8
Qurain	210 %	500	Internal	Prime	130,000	190,000	260	380	320.0
Overall average in the region					123,500	180,000	276	403	339

* (KD) Valued in Kuwaiti Dinar

* AR means average rate per square meter in KD.



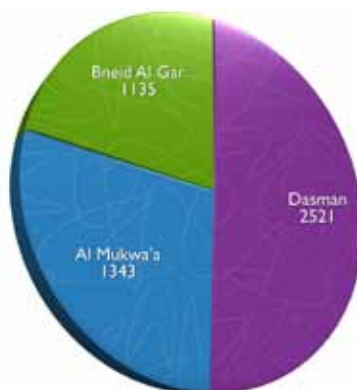


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Second: Prices of Investment Lands:

Investment lands recorded a price increase in the Capital Governorate reaching an average meter price of KD 1,667 during Q4-2010 compared to KD 1,649 per meter in Q3-2010. Prices in areas such as Bneid Al Gar and East Al Mukwa'a have increase from 3 to 5%

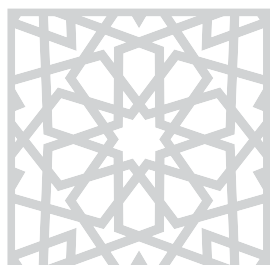
Average Rate per Square Meter in the Capital Governorate- Q4, 2010

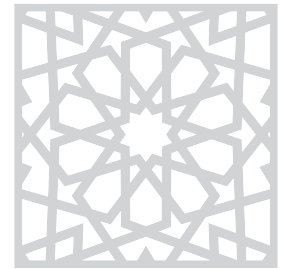


Area	% of Built Area	M ²	Location	Street	Value in KD *		Rate per Meter (KD)		AR in Q4-2010 (KD)*
					From	To	From	To	
Bneid Al Gar	250 %	1,000		Arabian Gulf	1,650,000	1,900,000	1,650	1,900	1775.0
	250 %	1,000		Istaqlal	1,000,000	1,150,000	1,000	1,150	1075.0
	250 %	500	Internal		420,000	480,000	840	960	900.0
	250 %	500	Prime		500,000	550,000	1,000	1,100	1050.0
	250 %	1,000	Internal		800,000	875,000	800	875	837.5
	250 %	1,000	Prime	1st & 2nd Ring	1,100,000	1,250,000	1,100	1,250	1175.0
Overall average in the region					911,667	1,034,167	1,065.0	1,205.8	1,135.4
East Al Mukwa'a	240 %	250	Prime		270,000	310,000	1,080	1,240	1160.0
	400 %	500	Internal		580,000	750,000	1,160	1,500	1330.0
	400 %	500	Prime		720,000	820,000	1,440	1,640	1540.0
	Overall average in the region					523,333	626,667	1,227	1,460

* (KD) Valued in Kuwaiti Dinar

* AR means average rate per square meter in KD.

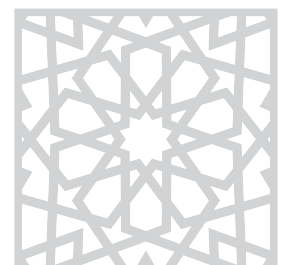
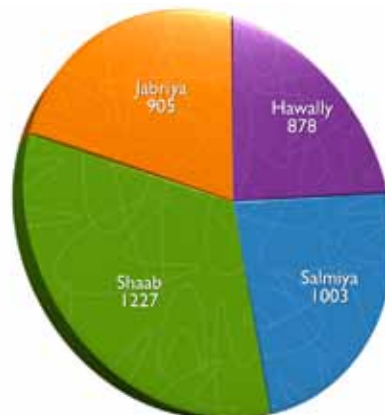


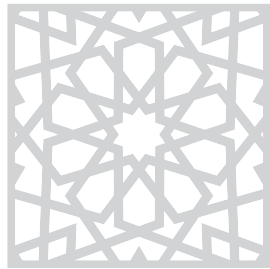


Area	% of Built Area	M ²	Location	Street	Value in KD *		Rate per Meter (KD)		AR in Q4-2010 (KD)*
					From	To	From	To	
Dasman	400 %	1,000	Internal	Arabian Gulf	3,000,000	3,500,000	3,000	3,500	3250.0
	400 %	1,000			1,750,000	1,850,000	1,750	1,850	1800.0
	400 %	750		Abdulla Al Ahmed	1,770,000	2,000,000	2,360	2,667	2513.3
Overall average in the region					2,173,333	2,450,000	2,370	2,672	2521.1

In Hawally Governorate, the average price increased to KD 1,003 per square meter in Q4-2010 from KD 988 per square meter during Q3-2010 where areas like Salmiya, Shaab and Jabriya witnessed a price increase from 2 to 5%.

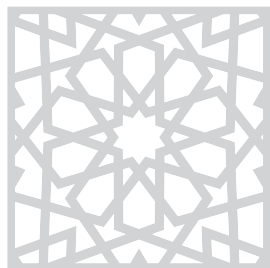
Average Rate per Square Meter in the Hawally Governorate - Q3, 2010



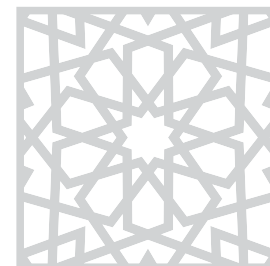


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Area	% of Built Area	M ²	Location	Street	Value in KD *		Rate per Meter (KD)		AR in Q4-2010 (KD)*
					From	To	From	To	
Hawally	250 %	750		Muthana	640,000	750,000	853	1,000	926.7
Hawally	250 %	750		Qutaiba	650,000	760,000	867	1,013	940.0
Hawally	250 %	750		Hassan Al Basry Ahmed	610,000	685,000	813	913	863.3
Hawally	250 %	750		Bin Toloun	610,000	670,000	813	893	853.3
Hawally	250 %	750		Yarmouk	610,000	670,000	813	893	853.3
Hawally	250 %	750		Musa Bin Naseer	630,000	720,000	840	960	900.0
Hawally	250 %	750		Zarqa Al Yamama	630,000	720,000	840	960	900.0
Hawally	250 %	750		Mutasem	635,000	750,000	847	1,000	923.3
Hawally	250 %	750		Maghreb	615,000	750,000	820	1,000	910.0
Hawally	250 %	1,000		4th Ring	850,000	900,000	850	900	875.0
Hawally	250 %	750		Fahaheel	685,000	800,000	913	1,067	990.0
Hawally	250 %	750		Sharha-beel	600,000	660,000	800	880	840.0
Hawally	250 %	500	Internal		400,000	450,000	800	900	850.0
Hawally	250 %	750	Internal		580,000	650,000	773	867	820.0
Hawally	250 %	1,000	Internal		680,000	780,000	680	780	730.0
Overall average in the region					628,333	714,333	821.6	935.1	878.3



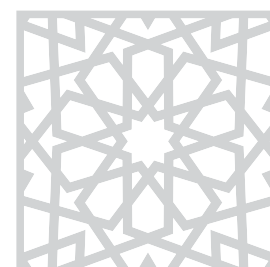
Fourth Quarter 2010 - Kuwait



Area	% of Built Area	M ²	Location	Street	Value in KD *		Rate per Meter (KD)		AR in Q4-2010 (KD)*
					From	To	From	To	
Salmiya	250 %	1,000		Arabian Gulf	1,550,000	2,200,000	1,550	2,200	1875.0
Salmiya	250 %	750		Baghdad Ab-dulkarim Al	750,000	850,000	1,000	1,133	1066.7
Salmiya	250 %	750		Khatabi Qatar	750,000	850,000	1,000	1,133	1066.7
Salmiya	250 %	750		Abdullah Bin Masood Yousef	650,000	750,000	867	1,000	933.3
Salmiya	250 %	750		Bin Hamoud Ham-mad Al Mubarak	650,000	750,000	867	1,000	933.3
Salmiya	250 %	750		Oman	650,000	750,000	867	1,000	933.3
Salmiya	250 %	750		Bahrain Umro	650,000	750,000	867	1,000	933.3
Salmiya	250 %	750		Bin Aas Mugh-aira Bin Shuba	750,000	900,000	1,000	1,200	1100.0
Salmiya	250 %	750			650,000	760,000	867	1,013	940.0
Salmiya	250 %	500	Prime		450,000	500,000	900	1,000	950.0
Salmiya	250 %	1,000	Prime		750,000	830,000	750	830	790.0
Salmiya	250 %	500	Internal		420,000	460,000	840	920	880.0
Salmiya	250 %	750	Internal		600,000	700,000	800	933	866.7
Salmiya	250 %	1,000	Internal		685,000	785,000	685	785	735.0
Overall average in the region					710,938	842,813	922.0	1,084.3	1,003.1

* (KD) Valued in Kuwaiti Dinar

* AR means average rate per square meter in KD.





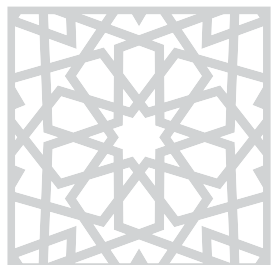
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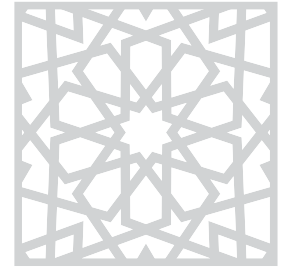
In Farwaniya Governorate, the average price increased at a rate of 3% to KD 799 per square meter in Q4-2010 from KD 776 per square meter during Q3-2010 where areas like Farwaniya, Khaitan and Regai witnessed a price increase from 2 to 5%.

Average Rate per Square Meter in the Farwaniya Governorate - Q4, 2010



Area	% of Built Area	M ²	Location	Street	Value in KD *		Rate per Meter (KD)		AR in Q4-2010 (KD)*
					From	To	From	To	
Farwaniya	250 %	1,000		Airport	775,000	850,000	775	850	812.5
		1,000	Prime		680,000	800,000	680	800	740.0
		1,000	Internal		595,000	700,000	595	700	647.5
		750	Internal		530,000	610,000	707	813	760.0
		500	Internal		375,000	450,000	750	900	825.0
		Overall average in the region				591,000	682,000	701.3	812.7
Khaitan	250 %	750		Airport	650,000	700,000	867	933	900.0
	250 %	750	Prime		550,000	650,000	733	867	800.0
	250 %	750	Internal		500,000	580,000	667	773	720.3
	250 %	500	Internal		365,000	425,000	730	850	790.0
	350 %	600	Internal		450,000	520,000	750	867	808.3
		Overall average in the region				503,000	575,000	749	858





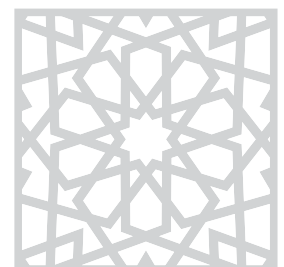
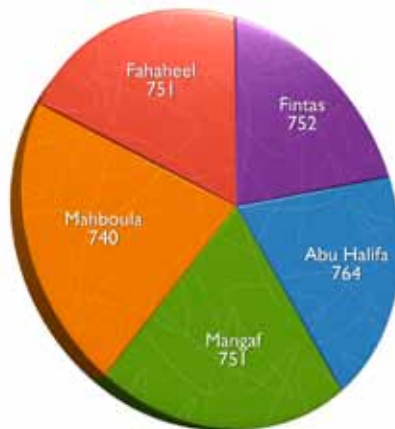
Area	% of Built Area	M ²	Location	Street	Value in KD *		Rate per Meter (KD)		AR in Q4-2010 (KD)*
					From	To	From	To	
Riqqae	250 %	750		4th Ring	660,000	760,000	880	1,013	946.7
	250 %	750		5th Ring	630,000	700,000	840	933	886.7
	250 %	1,000		5th Ring	730,000	830,000	730	830	780.0
	250 %	1,000		4th Ring	750,000	850,000	750	850	800.0
	250 %	750	Internal		520,000	600,000	693	800	746.7
	250 %	500	Internal		365,000	430,000	730	860	795.0
Overall average in the region					609,167	695,000	771	881	825.8

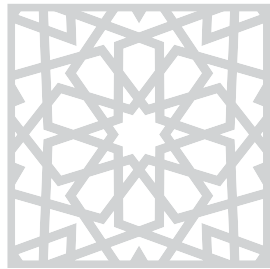
* (KD) Valued in Kuwaiti Dinar

* AR means average rate per square meter in KD.

The Ahmadi Governorate has also showed a slight average price increase in Q4-2010 compared to Q3-2010. The average price increased to KD 751 per square meter from KD 740.3 per square meter in Q3-2010.

Average Rate per Square Meter in Ahmadi Governorate - Q3, 2010



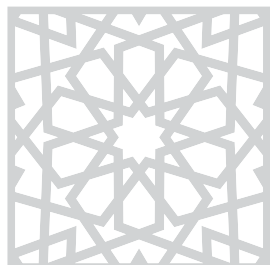


KFH LOCAL REAL ESTATE REPORT

Area	% of Built Area	M ²	Location	Street	Value in KD *		Rate per Meter (KD)		AR in Q4-2010 (KD)*
					From	To	From	To	
Fintas	250 %	500	Internal		330,000	380,000	660	760	710.0
	250 %	750	Internal		380,000	460,000	507	613	560.0
	250 %	750	Prime		430,000	520,000	573	693	633.3
	250 %	750		Fahaheel	500,000	525,000	667	700	683.3
	250 %	1,000		Coastline	1,150,000	1,200,000	1,150	1,200	1175.0
Overall average in the region					558,000	617,000	711.3	793.3	752.3
Abu Halifa	250 %	500	Internal		330,000	380,000	660	760	710.0
	250 %	750	Internal		380,000	460,000	507	613	560.0
	250 %	750	Prime		450,000	540,000	600	720	660.0
	250 %	1,000		Coastline	1,100,000	1,150,000	1,100	1,150	1125.0
	Overall average in the region					565,000	632,500	716.7	810.8
Mangaf	250 %	500	Internal		330,000	380,000	660	760	710.0
	250 %	750	Internal		380,000	460,000	507	613	560.0
	250 %	750	Prime		450,000	540,000	600	720	660.0
	250 %	750		Fahaheel	500,000	550,000	667	733	700.0
	250 %	1,000		Coastline	1,100,000	1,150,000	1,100	1,150	1125.0
Overall average in the region					552,000	616,000	706.7	795.3	751.0
Mahboula	250 %	500	Internal		330,000	370,000	660	740	700.0
	250 %	750	Internal		365,000	460,000	487	613	550.0
	250 %	750	Prime		440,000	520,000	587	693	640.0
	250 %	750		Fahaheel	490,000	540,000	653	720	686.7
	250 %	1,000		Coastline	1,100,000	1,150,000	1,100	1,150	1125.0
Overall average in the region					545,000	608,000	697.3	783.3	740.3
Fahaheel	250 %	500	Internal		340,000	400,000	680	800	740.0
	250 %	500	Prime		380,000	430,000	760	860	810.0
	250 %	750	Internal		420,000	565,000	560	753	656.7
	250 %	750	Prime		465,000	650,000	620	867	743.3
	250 %	1,000		Makkah	725,000	825,000	725	825	775.0
250 %	750		Baduwi	550,000	620,000	733	827	780.0	
Overall average in the region					480,000	581,667	679.7	821.9	750.8

* (KD) Valued in Kuwaiti Dinar

* AR means average rate per square meter in KD.



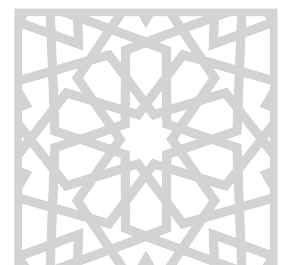


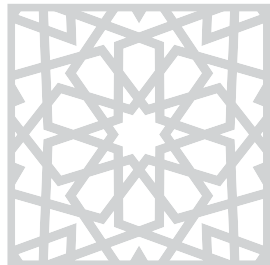
As for the Jahra Governorate, prices have remained stable in Q4-2010 where the average price per meter has stabilized at KD 675 per square meter.

Area	% of Built Area	M ²	Location	Value in KD *		Rate per Meter (KD)		AR Q4-2010 (KD)*
				From	To	From	To	
Jahra	250 %	1,000	Internal	520,000	600,000	520	600	560
Jahra	250 %	1,000	Prime	570,000	670,000	570	670	620
Jahra	250 %	800	Khazami	560,000	650,000	700	813	756.3
Jahra	250 %	500	Internal	330,000	360,000	660	720	690
Jahra	250 %	500	Prime	350,000	400,000	700	800	750

* (KD) Valued in Kuwaiti Dinar

* AR means average rate per square meter in KD.

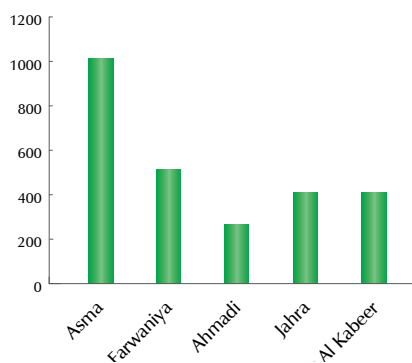




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Third: Prices of Commercial Real Estate Properties:

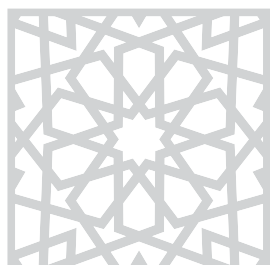
In Q4-2010, commercial real estate trade prices decreased in the Capital Governorate at a rate of 2.6% with an average price per square meter of KD 5,050 compared to KD 5,186 in Q3-2010. Prices in Mubarakiyah, Ahmad Al Jaber Street, Khaled Bin Al Waleed Street, Al Sour Street, Fahad Al Salem Street, and Ali Al Salem Street have decrease at a rate from 2 to 5.7%.

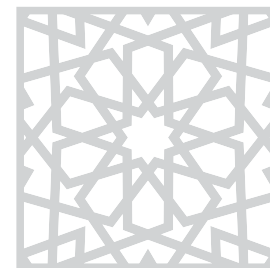


Area	% of Built Area	Street	M ²	Value in KD *		Rate per M ²		AR Q4-2010 (KD)*
				From	To	From	To	
Qibla	300 %	Mubarkiya	500	1,250,000	2,000,000	2,500	4,000	3,250
Sharq	520 %	Ahmed Al Jaber	500	2,900,000	3,100,000	5,800	6,200	6,000
Sharq	520 %	Khaled Bin Waleed	500	2,675,000	2,875,000	5,350	5,750	5,550
Qibla	520 %	Abdulla Al Mubarak	500	2,750,000	3,000,000	5,500	6,000	5,750
City	620 %	Soor	500	2,750,000	3,000,000	5,500	6,000	5,750
City	300 %	Soor	500	1,500,000	1,700,000	3,000	3,400	3,200
City	620 %	Fahed Al Salem	500	3,100,000	3,250,000	6,200	6,500	6,350
Sharq	520 %	Jaber Al Ali	500	2,700,000	2,900,000	5,400	5,800	5,600
City	300 %	Ali Al Salem	500	1,600,000	1,800,000	3,200	3,600	3,400
Qibla	520 %	Ali Al Salem	500	2,750,000	2,900,000	5,500	5,800	5,650
Qibla	300 %	Al Gharbali	500	1,450,000	2,000,000	2,900	4,000	3,450
Overall average in the region				2,389,286	2,660,714	4,778.6	5,321.4	5,050.0

* (KD) Valued in Kuwaiti Dinar

* AR means average rate per square meter in KD.





On the other hand, prices remained unchanged in other areas such as Jahra as compared to Q3-2010 recording an average price per square meter of KD 2,025.

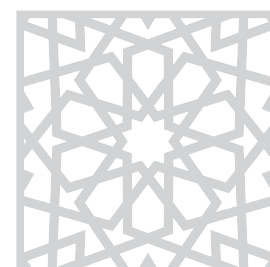
Area	% of Built Area	Street	M ²	Value in KD *		Rate per M ²		AR Q4-2010 (KD)*
				From	To	From	To	
Jahra	180%	Marzouq Al Metaeb	1,000	1,850,000	2,400,000	1,850	2,400	2,125
	300%	Buiness and Office Center	875	1,662,500	1,968,750	1,900	2,250	2,075
Jahra (Al Qaisariyat)	300%	Al Qaisariyat	225	393,750	450,000	1,750	2,000	1,875

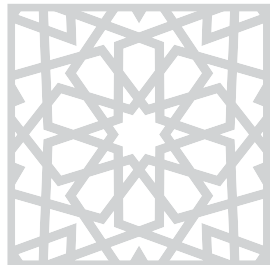
* (KD) Valued in Kuwaiti Dinar * AR means average rate per square meter in KD.

Hawally Governorate recorded a slight increase in prices in most areas, as the average price reached KD 2,521 as compared to KD 2,514 per square meter in Q3-2010. According to the latest KFH field studies in the governorate, Al Othman and Al Bahrain streets showed a 1% price increase while prices remained stable in other areas of the governorate.

Area	% of Built Area	Street	M ²	Value in KD *		Rate per M ²		AR Q4-2010 (KD)*
				From	To	From	To	
Hawally	180 %	Tunis	1,000	2,800,000	3,000,000	2,800	3,000	2,900
	180 %	Beirut	1,000	2,700,000	3,000,000	2,700	3,000	2,850
	150 %	Usman	1,000	1,700,000	2,250,000	1,700	2,250	1,975
	180 %	Ibn Khaldoun	1,000	2,000,000	2,500,000	2,000	2,500	2,250
Salmiya	180 %	Hamad Al Mubarak	1,000	2,000,000	2,400,000	2,000	2,400	2,200
	180 %	Salem Al Mubarak	1,000	3,000,000	3,500,000	3,000	3,500	3,250
	180 %	Bahrain	500	1,025,000	1,200,000	2,050	2,400	2,225

* (KD) Valued in Kuwaiti Dinar * AR means average rate per square meter in KD.





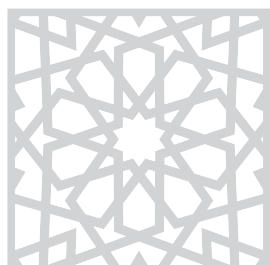
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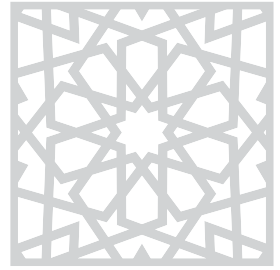
In Farwaniya Governorate, the average price per meter increase at a rate of 1% where in Q4-2010 the average price per square meter reached KD 1,282 compared to KD 1,270 in the previous quarter. Jleeb Al Shuyoukh and Al Dhajeej areas showed a price increase at a rate between 3 an 5.5%.

Area	% of Built Area	Street	M ²	Value in KD *		Rate per M ²		AR Q4-2010 (KD)*
				From	To	From	To	
Fahaheel	180 %	Al Munawer	1,000	2,500,000	3,000,000	2,500	3,000	2,750
Farwaniya	180 %	Fire Station	1,000	2,000,000	2,500,000	2,000	2,500	2,250
Khaitan	180 %		1,000	1,800,000	2,500,000	1,800	2,500	2,150
Jleeb Shuyoukh	180 %	Cooperative	1,000	1,350,000	1,600,000	1,350	1,600	1,475
	180 %	Internal	1,000	700,000	850,000	700	850	775
Dhajeej (5000m)	210 %	6th Ring	5,000	4,600,000	5,250,000	920	1,050	985
		Internal	5,000	3,400,000	4,250,000	680	850	765
Dhajeej	250 %	6th Ring	5,000	1,500,000	2,500,000	300	500	400
South Khaitan	250 %	Internal	5,000	1,400,000	2,000,000	280	400	340

* (KD) Valued in Kuwaiti Dinar

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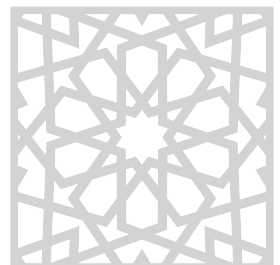


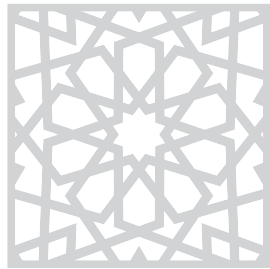
In Al Ahmadi Governorate, prices have also increased as the average price per square meter reached KD 2,011 in Q4-2010 compared to KD 1888 in Q3-2010. The latest KFH surveys that studied price fluctuations between areas showed that Al Fintas, Fahaheel and Khairan Pearl witnessed 2 to 6% increase percentages as compared to Q3-2010.

Area	% of Built Area	Street	M ²	Value in KD *		Rate per M ²		AR Q4-2010 (KD)*
				From	To	From	To	
Mangaf	300 %	Aziziya	750	712,500	862,500	950	1,150	1,050
Fintas	180 %	Business & Office Centre	1000	1,400,000	1,750,000	1,400	1,750	1,575
	180 %	Al Dabous	750	2,062,500	2,250,000	2,750	3,000	2,875
Fahaheel	180 %	Internal	750	1,350,000	1,800,000	1,800	2,400	2,100
	180 %	Coastaline	750	2,625,000	2,925,000	3,500	3,900	3,700
	280 %	Makkah	750	2,475,000	2,812,500	3,300	3,750	3,525
Khairan Pearl	180 %	Internal	1000	900,000	1,000,000	900	1,000	950
	180 %	Marina	1200	1,440,000	1,620,000	1,200	1,350	1,275
	180 %	Others	1200	1,200,000	1,320,000	1,000	1,100	1,050

* (KD) Valued in Kuwaiti Dinar

* AR means average rate per square meter in KD.

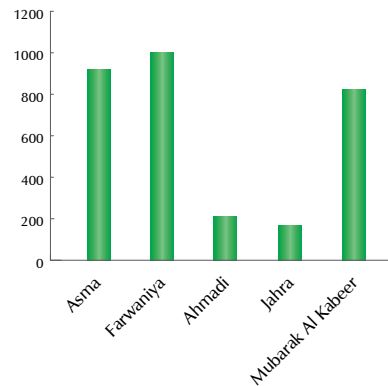




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Fourth: Prices of Industrial Plots (Usufruct & Warehousing Contracts):

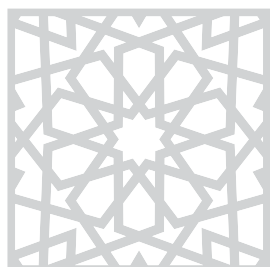
According to the latest surveys conducted by KFH detecting price fluctuations in relevant areas, prices of industrial plots increased in the Capital Governorate during Q4-2010 where the average price per square meter reached KD 913 as compared to KD 900 in the previous quarter. In the Farwaniya Governorate, prices have increase in Al Rai where the average square meter price increased from KD 857 in Q3-2010 to KD 867 in Q4-2010. Also, Al Ahmadi Governorate witnessed a price increase in Fahaheel and East Ahmadi; whereas the remaining areas showed price stability.

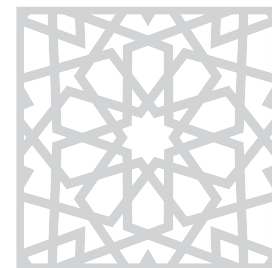


Area	Customized	% of Built Area	M ²	Street	Value in KD *		Rate per Meter (KD)		AR in Q4-2010 (KD)*
					From	To	From	To	
Shuwaikh Industrial	Show-rooms	170 %	1,000	Canada Dry	1,150,000	1,350,000	1,150	1,350	1,250
		170 %	500	Zeena	450,000	725,000	900	1,450	1,175
	+	170 %	5,000	Pepsi	3,750,000	4,500,000	750	900	825
		170 %	1,000	4th Ring	1,100,000	1,350,000	1,100	1,350	1,225
	Industry	170 %	22,500		8,750,000	10,250,000	389	456	422
		170 %	1,000	M. Qasem	750,000	950,000	750	950	850
Rai	Show-rooms	170 %	1,000	Ghazali	850,000	1,050,000	850	1,050	950
		170 %	1,000	Ghazali	850,000	1,050,000	850	1,050	950
	+	170 %	500	M. Qasem	1,600,000	1,800,000	800	900	850
		170 %	5,000	4th Ring	5,100,000	5,600,000	1,275	1,400	1,338
	Industry	170 %	1,000	Cars Showroom	700,000	800,000	700	800	750
		170 %	22,500	Internal	380,000	520,000	380	520	450

* (KD) Valued in Kuwaiti Dinar

* AR means average rate per square meter in KD.

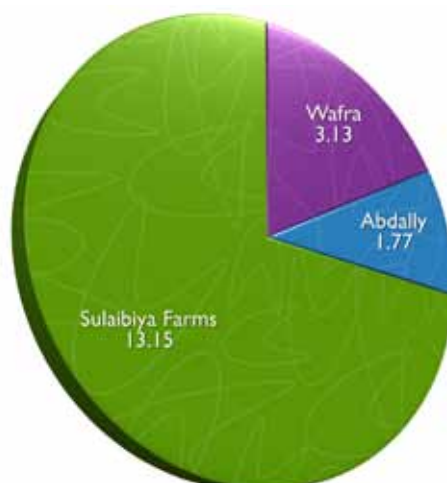




Fifth: Prices of Farm and Pales:

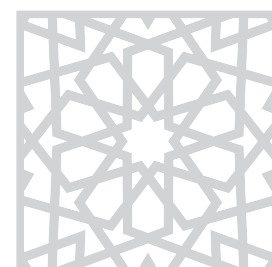
Prices of Abdali and Wafra farms as well as Kabed and Hajan pales remained unchanged during Q4-2010 according to KFH studies whereas Sulaibiya cattle farms recorded a decrease at a rate of 2.5%.

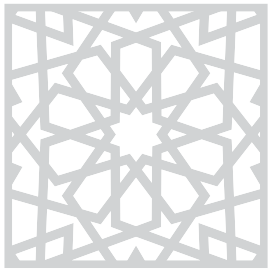
Average Rate per Square Meter (Farms) - Q4, 2010



Area	M ²	Price (KD)		Estimated price per square meter (KD)		AR Q4-2010 (KD)*
		From	To	From	To	
Wafra	50,000	120,000	230,000	2.4	4.6	3.500
Abdally	100,000	200,000	350,000	2	3.5	2.750
Sulaibiya	100,000	145,000	210,000	1.5	2.1	1.78
Cattle Farms	1,000,000	2,750,000	3,500,000	2.75	3.5	3.13
Juakher Kabd	2.500	55,000	65,000	22	26	60
Juakher Al Hajen	2.500	65,000	70,000	26	28	67.5

* AR means average rate per square meter in KD.



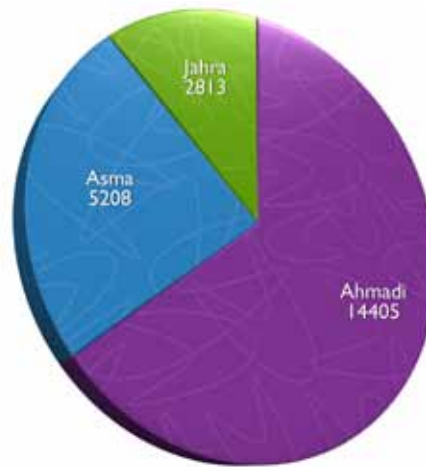


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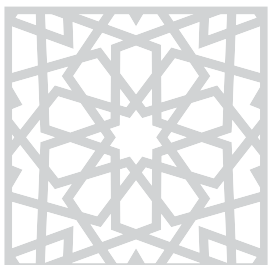
Sixth: Prices of Chalets:

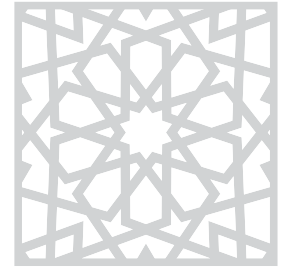
Compared to Q3-2010, chalets prices remained stable in the governorates of Ahmadi, the Capital governorates, and Jahra.

Average Rate per Square Meter (Chalets) - Q4, 2010



Area	Sea façade	Chalet Value (Land)		Price of Sea façade per Meter (KD)		Average Meter Price of the Sea façade during Q4-2010 (KD)
		From	To	From	To	
Mina Abdullah	15	120,000	195,000	8,000	13,000	10,500
Al Dabaeah	15	135,000	210,000	9,000	14,000	11,500
Al Juliah	15	195,000	300,000	13,000	20,000	16,500
Al Zour	15	165,000	230,000	11,000	15,333	13,167
Nuwiseeb	15	157,000	215,000	10,467	14,333	12,400
Asheerge (Doha)	15	55,000	86,250	3,667	5,750	4,708
Doha	15	70,000	101,250	4,667	6,750	5,708





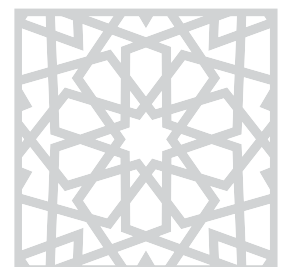
Seventh: Occupancy Rates and Rentals:

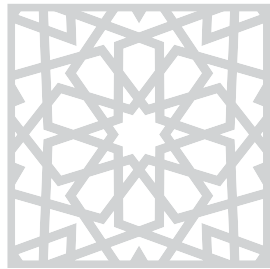
Occupancy rates of all types of investment properties remained stable; ranging from 90% to 95%. Average rental rate has ranged between KD 150 to KD 220 for apartments with 1 b/r and a hall, KD 180 to KD 250 for apartments with 2 b/r and a hall, KD 220 to KD 350 for apartments with 2 b/r, a hall, 2 bathrooms, and a maid room, and KD 250 to KD 400 for apartments with 3 b/r and a hall; while keeping in mind that rental rates vary according to the area, design, and finishing.

Average rental rate per square meter in commercial ground floors stabilized and ranged between KD 15 to KD 25 per square meter and may reach KD 30 in prime locations. Average rental rate for each square meter in offices is ranged between KD 5 to KD 8 for the different areas in Kuwait and approached KD 7 or above in Kuwait City according to the location, level of finishing, and the services provided to tenants and guests. The rental rate of Smart offices; which are turn-key, furnished, and equipped offices with all technologies, options, and secretaries for use on short-term basis; especially by foreign companies that tend to rent such offices for intermittent intervals, reached KD 8 or more per square meter.

A noticeable stability in the rental rates of industrial plots is reported, as the average price rate for each square meter in ground floors; showrooms, ranged between KD 10 to KD 30 in Industrial Shuwaikh, bearing in mind that rates are location-specific. Al Rai Building area comes second with the average price rate ranging between KD 10 to KD 20 for each square meter, while the average price rate for each square meter in Industrial Fahaheel is ranged between KD 12 to KD 16.

On the other hand, prices of freehold apartment and commercial units (occupancy allowance) witnessed price stability.

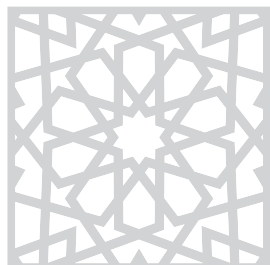




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Prices of Freehold Apartments:

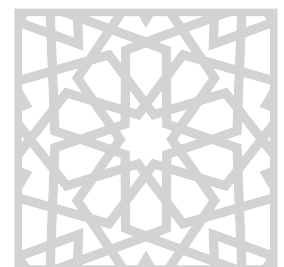
Area	The Planning Opinion	Location Description	Net Surface Area of the Apartment	Value in Market Value of the apartment KD *		AR M ² of the Net Surface Area of the Apartment		AR Q4-2010 (KD)*
				From	To	From	To	
Bneid Al Gar	Investment	Sea Façade	95	95,000	120,000	1,000	1,263	1,132
Bneid Al Gar	Investment	Prime	72	46,000	52,000	639	722	681
Shaab	Investment	Sea Façade	95	95,000	120,000	1,000	1263	1,132
Shaab	Investment	Prime	74	48,000	53,000	649	716	682
Salmiya	Investment	Sea Façade	95	95,000	115,000	1,000	1,211	1,105
Salmiya	Investment	Internal	64	30,500	34,500	477	539	508
Hawally	Investment	Prime	64	33,500	36,500	523	570	547
Hawally	Investment	Prime	74	38,000	42,000	514	568	541
Jabriya	Investment	Prime	74	46,000	50,000	622	676	649
Messila	Investment	Prime	72	34,500	37,500	479	521	500
Farwaniya	Investment	Prime	72	37,000	40,500	514	563	538
Fintas	Investment	Sea Façade	95	84,000	95,000	884	1,000	942
Fintas	Investment	Prime	72	34,000	36,500	472	507	490
Fintas	Investment	Internal	72	30,500	34,000	424	472	448
Mahboula	Investment	Sea Façade	95	84,000	95,000	884	1,000	942
Mahboula	Investment	Prime	72	33,500	36,000	465	500	483
Mahboula	Investment	Internal	72	30,000	34,000	417	472	444
Abu Halifa	Investment	Sea Façade	95	85,000	97,500	895	1026	961
Abu Halifa	Investment	Prime	72	34,000	36,000	472	500	486
Abu Halifa	Investment	Internal	72	30,000	34,000	417	472	444
Mangaf	Investment	Sea Façade	95	85,000	97,500	895	1026	961
Mangaf	Investment	Prime	72	34,000	36,000	472	500	486
Mangaf	Investment	Internal	72	30,000	34,000	417	472	444
Fahaheel	Investment	Prime	72	35,000	40,000	486	556	521
Fahaheel	Investment	Internal	72	33,500	36,000	465	500	483

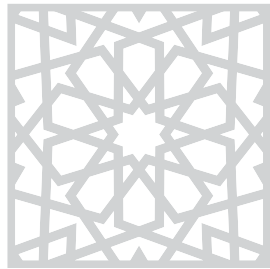




Eighth: Prices of Commercial Investment Units:

Area	The Planning Opinion	Location Description	Net Surface Area of the Shop	Value in Market Value of the Shop KD *		AR M ² of the Net Surface Area of the Shop		AR Q4-2010 (KD)*
				From	To	From	To	
Bneid Al Gar	Investment	Sea Façade	40	100,000	130,000	2,500	3,250	2,875
Shaab	Investment	Sea Façade	40	100,000	130,000	2,500	3,250	2,875
Shaab	Investment	Prime - Internal	40	70,000	85,000	1,750	2,125	1,938
Salmiya	Investment	Sea Façade	40	120,000	140,000	3,000	3,500	3,250
Hawally	Investment	Prime - Internal	40	60,000	80,000	1,500	2,000	1,750
Jabriya	Investment	Prime - Internal	40	60,000	85,000	1,500	2,125	1,813
Messila	Investment	Prime - Internal	40	50,000	70,000	1,250	1,750	1,500
Farwaniya	Investment	Prime - Internal	40	55,000	80,000	1,375	2,000	1,688
Fintas	Investment	Sea Façade	40	80,000	100,000	2,000	2,500	2,250
Fintas	Investment	Prime - Internal	40	40,000	50,000	1,000	1,250	1,125
Mahboula	Investment	Sea Façade	40	80,000	100,000	2,000	2,500	2,250
Mahboula	Investment	Prime - Internal	40	40,000	56,000	1,000	1,400	1,200
Abu Halifa	Investment	Sea Façade	40	80,000	100,000	2,000	2,500	2,250
Abu Halifa	Investment	Prime - Internal	40	40,000	56,000	1,000	1,400	1,200
Mangaf	Investment	Sea Façade	40	80,000	100,000	2,000	2,500	2,250
Mangaf	Investment	Prime - Internal	40	40,000	50,000	1,000	1,250	1,125
Fahaheel	Investment	Sea Façade	40	80,000	100,000	2,000	2,500	2,250
Fahaheel	Investment	Prime - Internal	40	40,000	50,000	1,000	1,250	1,125

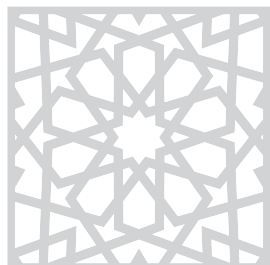


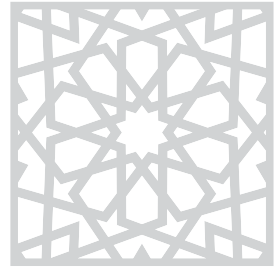


KFH LOCAL REAL ESTATE REPORT

Average Trading of Rental Values of Investment Properties In Governorates of Kuwait, Q4 - 2010

Governorate	Area	1 b/r & 1 Hall (48-50) M ²	2 b/r, 1 hall & a bathroom (58-60) M ²	2 b/r, 1 hall & 2 bathrooms (70-74) M ²	2 b/r, 2 bathrooms & a maid room (80-85) M ²	3 b/r, 1 h, maid room (100-110) M ²
Hawally	Salmiya	170-200	210-250	220-280	250-300	340-400
	Hawally	165-185	200-220	210-240	240-280	300-350
	Jabriya	170-180	210-220	220-250	250-300	340-400
	Shaab	200-220	250-280	280-320	320-340	380-450
Capital	Sharq	200-220	250-260	300-320	350-380	380-450
	Qibla	200-220	250-260	300-320	350-380	380-450
	East Mukawa	200-220	250-260	300-320	350-380	380-450
	Dasman	200-220	250-260	300-320	350-380	380-450
	Bneid Al Gar	190-210	240-270	280-320	320-340	380-450
Farwaniya	Khaitan	160-170	185-200	200-230	220-250	260-300
	Farwaniya	165-175	190-210	200-230	220-250	260-300
	Jleeb Al Shoyoukh	160-170	185-200	200-230	220-250	260-300
	Al Reqae	165-175	190-210	200-230	220-250	260-300
Ahmadi	Fintas	150-165	170-200	190-220	210-240	260-300
	Mahboula	145-160	170-200	190-220	210-240	260-300
	Abu Halifa	150-165	170-200	190-220	210-240	260-300
	Mangaf	150-165	170-200	190-220	210-240	260-280
	Fahaheel	160-175	180-210	200-220	225-250	260-320
Mubarak Al Kabeer	Messila	160-170	190-210	220-240	250-270	300-340
Jahra	Jahra	165	190-200	220	225-240	260-280





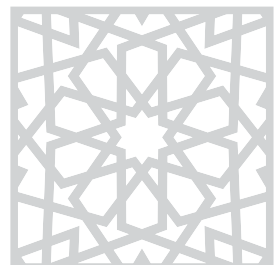
Areas	Basement Average rental per square meter (KD)	Land Average rental per square meter (KD)	Mezzanine Average rental per square meter (KD)	Offices Average rental per square meter (KD)	Description
Salmiya	12 - 18	18 - 30	12 - 18	6 - 8	
Hawally	10 - 16	18 - 25	10 - 16	6 - 7	
Farwaniya	10 - 15	25 - 35	10 - 15	6 - 7	
Khaitan	8 - 14	18 - 25	8 - 14	6 - 7	
Mangaf - Aziziya	7 - 15	20	7 - 15	7 - 8	
Fahaheel	10 - 14	20 - 30	10 - 14	6 - 7	
Dhajeej	2.5 *	8 - 10	5 - 6	-	
Kuwait City	12 - 14	16 - 30	10 - 14	6 - 8	Commercial Complex
Kuwait City	5 - 7	14 - 18	8 - 10	5.5 - 6.5	Commercial & Office Centre

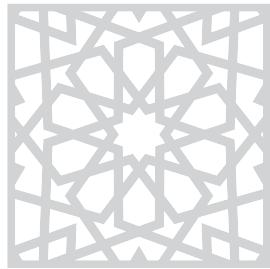
* Rental values include properties with internal locations with new finishing.

* Rental rates are higher for apartments located at prime locations (Sea, Main Streets, Services available, etc...), apartments with high quality finishing, and apartments provided with a certain type of services included with the rental (Swimming Pool, Health Gym., Car Parks, Satellite & Internet, Security, etc.)..

* Rental values for investment housing, excluding the commercial activities (Hair Saloon, female tailor shop, etc).

* Rental values referred to in the table do not include electricity (Electricity fees are the responsibility of a lessee not the landlord).



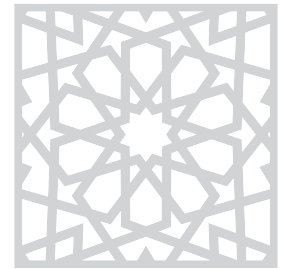


KFH LOCAL REAL ESTATE REPORT

Average Trading of Rental Values of Commercial Properties Throughout Kuwait, "Q4-2010"

Areas	Basement Average rental per square meter (KD)	Land Average rental per square meter (KD)	Mezzanine Average rental per square meter (KD)	Price Index	Description
Shuwaikh Industrial	3 - 4	10 - 30	3.5 - 7		Area of Unit 40m * This study does not include market values in the Avenues Mall * When allocating warehouses at the ground floor the price/m2 is KD 4-5 * KD 6-8 for a warehouse of 100 m2 on the ground floor
Rai	2.5 - 3.5	12 - 20	3.5 - 6.5		
Subhan	2.5 - 3	4 - 6	2.5 - 3		
Ardhiya Warehouses	3	6 - 6.5	3 - 5		
East Ahmadi	2 - 4	8 - 14	3.5 - 5		
Fahaheel Industrial	2.5 - 4	10 - 16	3 - 5		

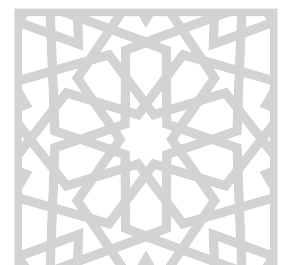


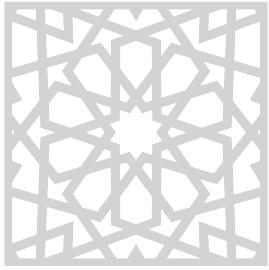


Average Trading of Rental Values of Industrial Properties Throughout Kuwait, Q4-2010

Areas	Basement Average rental per square meter (KD)	Land Average rental per square meter (KD)	Mezzanine Average rental per square meter (KD)	Offices Average rental per square meter (KD)
Salmiya	12 - 18	20 - 30	14 - 18	6 - 8
Hawally	10 - 18	18 - 27	10 - 16	6 - 7
Farwaniya	8 - 15	25 - 35	8 - 15	5 - 7
Khaitan	6 - 15	25 - 35	6 - 15	6 - 7
Mangaf	7 - 15	20	7 - 15	7 - 8
Fahaheel	8 - 15	18 - 25	8 - 15	5 - 6
Dhajeej	2.5 *	8 - 10	5 - 6	-
Kuwait City	10	25-30	10 - 12	6 - 7

It's worth noting that this Report monitors the general trends of the local real estate market trading in the State of Kuwait. However, Evaluation & Studies Section at KFH believes that a separate evaluation should be made for each real estate property and the respective rental value and returns should be determined to ensure the fair valuation for each property.





Terminology

Private Housing Building:

The typical buildings designated for a single family and located in the low density population areas and are constructed by individuals or private sector enterprises and have different architectural designs made by multiple landlords, or the lands which are distributed by the State under the Housing Welfare Schemes; and thus have unified or various architectural designs.

Investment Housing Building:

A multiple residential units building (Apartments, Villas, Duplex, and Studios) used for freehold or renting purposes in all storeys.

Private School Building:

A building designated for the provision of educational services for one or multiple educational stages.

Hotel and Motel Building:

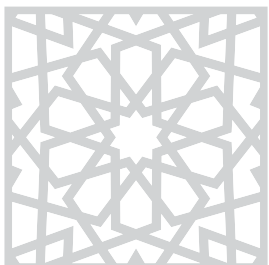
A building designated for short accommodation by guests for tourist and recreational purposes where general services are presented to guests.

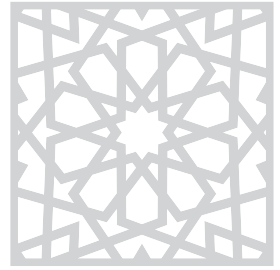
Commercial Building:

A building where the basement, ground, and mezzanine floors are allowed for use as shops, which may be designed as a set of adjacent or separate shops with corridors at the commercial street, or as spacious areas. Repetitive storeys may be used as offices or for any other business activity.

Industrial Building:

A building designated for the industrial, warehousing, service, or craftsmanship purposes.





Residential Complexes Inside and Outside Kuwait City:

A residential building incorporating multiple premises designated for investment housing. Such premises are typically composed of multiple residential units including apartments, villas, studios, and duplex units designated for renting or freehold use in all storeys, and may be designed as adjacent to or separate from each other, provided that the built area may not be less than 3,000 m². Vacant spaces designated for the range of vision and convenience of eyesight are included in the total area required for the construction of the complex.

Coastal Strip Buildings:

Buildings built by individuals on their own land extended throughout the coastline.

Buildings for Horticulture Activities:

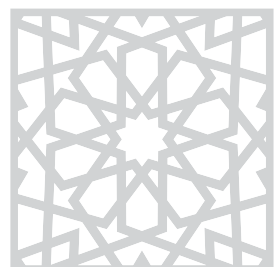
Buildings designated for the cultivation, care, show, and sale of flora and flowers of different types, care of gardens and agricultural products, inventory of seeds and agricultural needs, and office spaces.

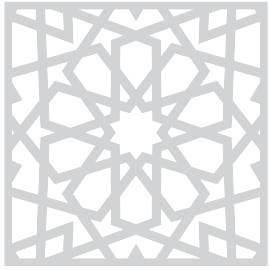
Private Chalets:

Buildings or facilities established outside public order under leasing contracts for the lease of the State owned properties for recreational and entertainment purposes.

Private Hospitals:

Premises designated for the provision of general or specialized medical services (Outpatient clinics, operating theaters, laboratories, patient rooms and wards).





Measurement Units:

Length

- Meter is the International Standard Unit for linear measure.
- 1M = 10 cm = 1000 millimeter
- Yard = 3 feet = 0.9144 m.
- Foot = 12 inches = 30.48 cm = 0.3048 m
- Inch = 2.54 cm = 0.0254 m
- Km = 0.6214 mile = 1000 m
- Land Mile = 1.6093 Km = 1609.0 m
- Nautical Mile = 6080 feet = 1.853 km = 1853 m
- League = 3 Miles = 4.8281 Km = 4828 m
- Al Bou = approximately 2 m
- Fathom = 182.88 cm = 1.8288 m
- Cubit = 51 cm = 0.51 m
- Span = 22.86 cm = 0.0229 m
- 1 M = 1.0936 Yard = 3.2808 Feet = 39.37 Inches

Area

- Square Meter is the International Standard Unit of area.
- Hectare = 10 Donum = 2.471 Feddan = 10,000 m²
- Feddan / Acre = 4046.8 m²
- Donum = 1000 m²
- Square Meter = 10,764 square feet

