



KFH LOCAL REAL ESTATE REPORT

First Quarter 2011 - Kuwait

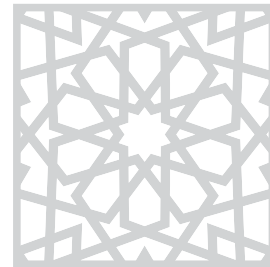
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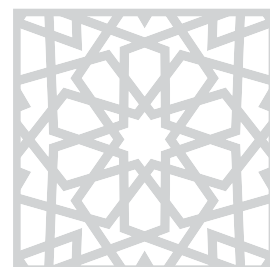
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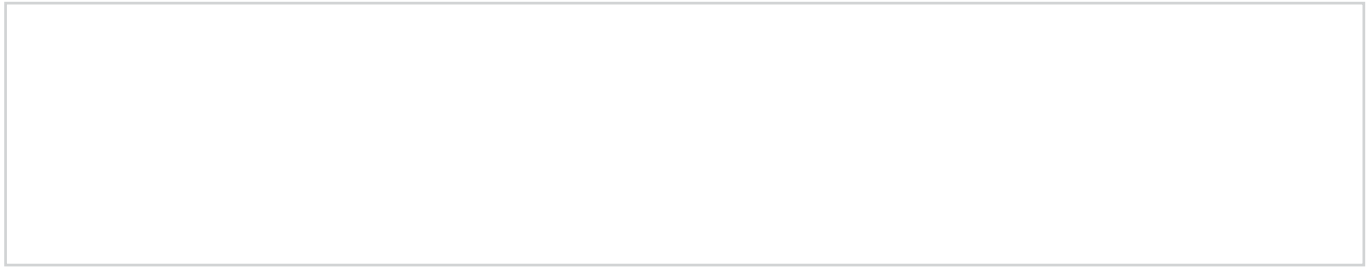
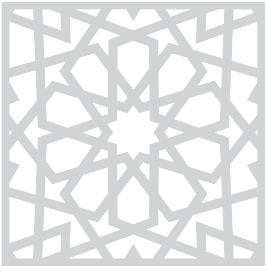
بيت التمويل الكويتي
Kuwait Finance House





KFH LOCAL REAL ESTATE REPORT
First Quarter 2011 - Kuwait





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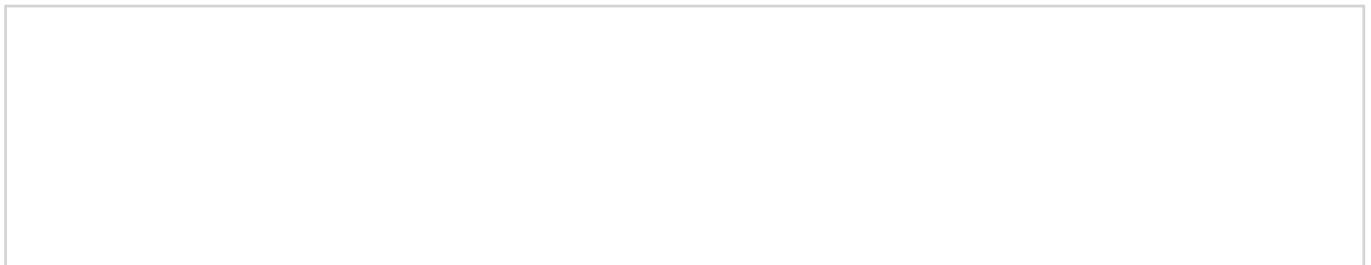
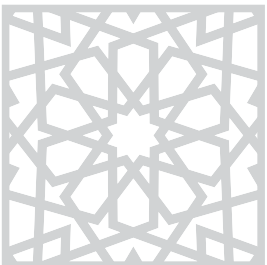
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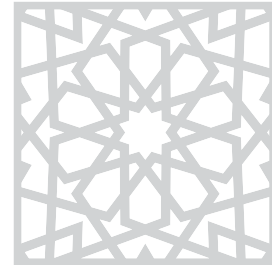
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Valued Reader

KFH is pleased to present the new edition of its quarterly Local Real Estate Report for the first quarter in 2011. The real estate sector is considered one of the major sectors in the local economy due to its ability to providing one of the basic needs of citizens. Because the real estate sector is linked to the most important economic sectors, it has the ability to stimulate and trigger the local economy. In addition, this sector can attract and contain large investments in the field of infrastructure as well as provide employment 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 for a better understanding of this dynamic sector.

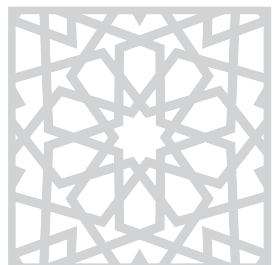
KFH persistently collects and monitors all official data related to trade transactions and the price indices of the local real estate activity. KFH then presents this data illustratively, monitors the real estate performance indicators methodologically, and publishes the same periodically in order to raise awareness about the real estate and investment practices in the local market while encouraging the developmental role of the local market in the economy and helping customers and investors to take sound and well-informed investment decisions.

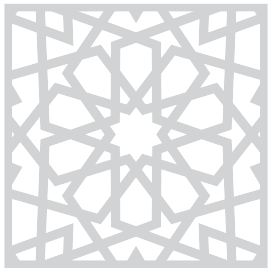
In addition to the local real estate performance analysis, the report reviews the major economic development activities related to the activity of this real estate market as well as the related governmental regulations.

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 overall local development.



Emad Abdullah Al-Thaqeb
AGM, Finance Sector - KFH





KFH LOCAL REAL ESTATE REPORT

Introduction

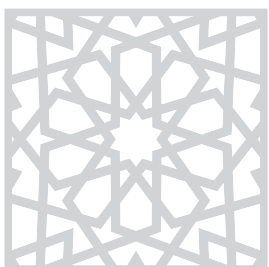
The first quarter of the year 2011 is best described as eventful and had great impact on the local real estate activity. During this quarter, Kuwait celebrated its 50th year of independence, 20th liberation day and the 5th year of His Highness the Amir's assumption of power on January 29th. To mark these national occasions, His Highness ordered a KD 1,000 grant to each Kuwaiti citizen. This grant is the third and highest grant during the last 5 years, distributed to around 312, 146, 1 Kuwaiti citizen on the 1st of February with a total cost of KD 1.147 billion. In addition to the cash grant, His Highness also ordered the distribution of free essential food items for 14 months to all citizens, all accounting to a total of KD 230 million. As a result, these Amiri grants had stimulating effects on the commercial and real estate activities as well as increasing the volume of banking liquidity.

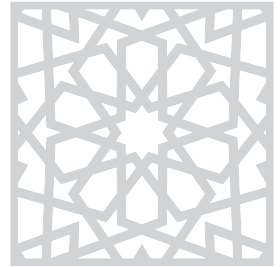
Furthermore, the Court of Cassation has issued an amendment to exclude KFH and Islamic Banks from Laws 8&9 that restrict banks from trading of residential real estate properties. The issuance of these Laws, allowing mortgages and the funding residential properties through Islamic banks, was a harsh shock that paralyzed the market and lead banks to stop the funding. This in turn has increased the number of housing applications on the waiting list from 60 thousand to 90 thousand applications since applicants for residential properties were not able to obtain funding or to pay their loans taken from the Kuwait Savings Bank through banks. Undoubtedly, this amendment will revive the residential real estate sector and subsequently will boost the growth rate of real estate trading. In addition, Kuwait Investment Authority has created a real estate portfolio under the management of KFH focusing on investments in the commercial and investment real estate sector. The authority asked KFH at the beginning to manage KD 250 million of the portfolio's total capital that is KD 1 billion. Moreover, this portfolio will help improve the real estate activity and increase liquidity.

In the midst of the optimism dominating the market due the decision of the Court of Cassation, the spark of political strikes and instability started in the Arab world that sought attracting capital from the GCC and Kuwait in particular.

Consequently, these political developments will redirect investments back to Kuwait. Because of the scarcity of available investment opportunities, the demand on investment properties is increasing while supply is still scarce. This in turn leads to an increase in prices and augments the volume of real estate trade. On the other hand, the political changes in the region negatively affected financial markets where various Arab Stock Exchanges have stopped operating. Currently, the market is anticipating and waiting for the region to settle after the sudden and dramatic changes.

Furthermore, the oil and gas sector in the region has been greatly affected by the latest political events. In Egypt, the gas pipeline was attacked by an explosion. In Libya, which supplies 2% of oil international demand, oil production and supplies have stopped, leading to an approximate loss of 1 million barrel per day; equal to 2/3 of Libyan oil production and supply. Japanese oil consumption has increased following the earthquake and the tsunami. All these factors led to an increase in the price of oil to reach USD 120 per barrel as of February 24th 2011.



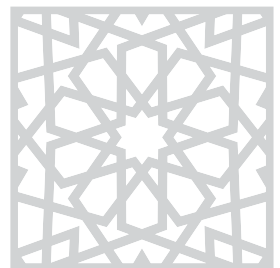


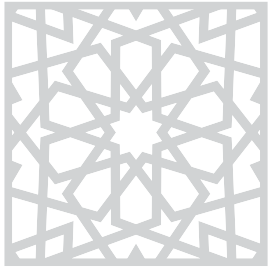
On the other hand, the issue of financing development is still under debate. However, the movement in the projects sector is a sign of development in the construction sector. Funds from local banks directed to the real estate and construction sector have remarkably increased in 2010 relative to 2009.

The real estate activity was also affected by the political changes in the region. In Q1-2011, the trading volume in the real estate sector increased by 5.3% compared to Q4-2010. Price indices of the residential properties increased in Q4-2010 and continued increasing in Q1-2011 but at a lower rate. In Q1-2011, the average price in the governorates has increased as follows: Hawalli 2.9%, the Capital governorate 4.2%, Farwaniya 2.7%, Mubarak Al Kabir 0.8%, Ahmadi 1.5% and Jahra 0.5%.

In parallel, investment housing price indices showed a 1.7% increase in all Kuwaiti governorates compared to Q4-2010, where the average price per square meter reached KD 950 in Q1-2011 compared to KD 936.1 in the last quarter.

Real estate prices in Commercial Farwaniya (Habib Al Munawer Street and Fire Station Street) showed a remarkable increase of an 8.8% relative to Q4-2010. An increase of 1.5% to 4.5% was recorded in Kuwait City Mubarak Al Kabir Street (Stock Exchange), Hawalli Ibn Khaldoun Street, Jahra Marzooq Al Mitaab Street, Fahaheel Al Dabbous Street and the internal streets. Al Fintas administrative and commercial areas recorded a KD 2,000 average price per square meter due to the unexpected increase in the demand on rental units in the area. This same area is close to Fahaheel; an area known for its high population density and the type of its commercial products. However, commercial real estate activity remained stable in the Capital, especially the office rental activity which is still stagnating.



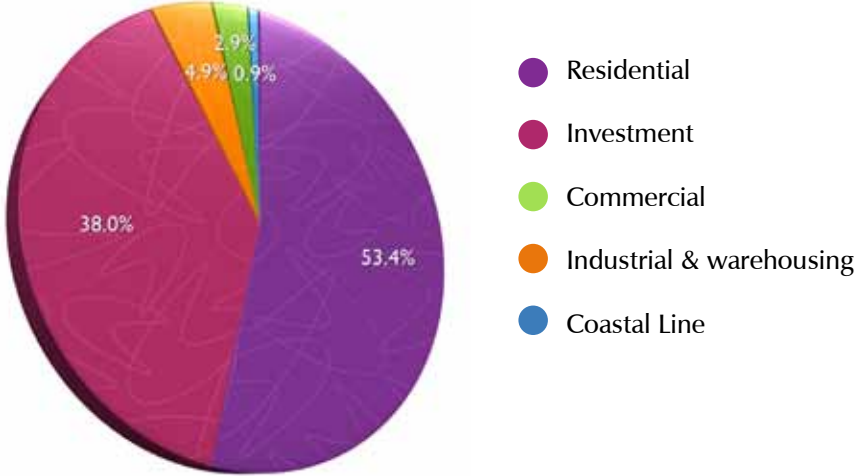


Market Trading Indices

The real estate sector constitutes more than 10% 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.

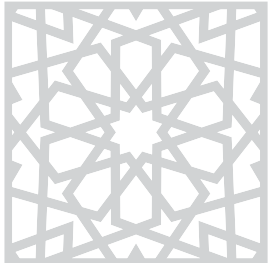
The Public Authority for Housing Welfare has submitted various initiatives and projects to the National Assembly offered by the Kuwaiti Government to launch giant companies into the different sectors of the economy, including the offering of a share to the public offering and pumping new investments 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.

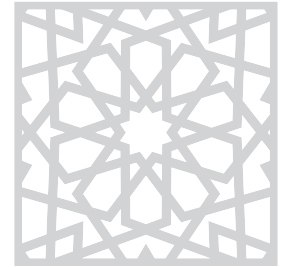
Real Estate Indices during Q1, 2011



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 Q1-2011 showed an increase of KD 36,425 million equal to 5.3% as compared to KD 678,345 million in Q4-2010.





Private Housing Transactions

The private housing transactions have increased compared to the previous quarter thus reaching 54.8% of the total real estate trading valued KD 720,980 million. The private housing transactions have amounted to KD 395,434 million in Q1-2011, increasing 10.5% as compared to Q4-2010. The number of private housing transactions has increased to reach 1,761 transactions during Q1-2011 as compared to 1,384 in Q4-2010. Average transaction has decreased during Q1-2011 to KD 224 thousand as compared to KD 258 thousand in Q4-2010. March 2011 recorded the highest trading rate accounting for 41.8% equal to KD 165,662 million of the total private housing transactions amounting to KD 395,434 million during Q1-2011 while January ranked second recording KD 135,583 million recording 34.2%. February came last with KD 94.188 million accounting for 23.8% of the total private housing trading.

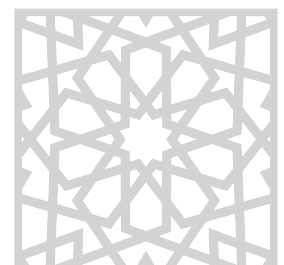
Investment Real Estate Trends

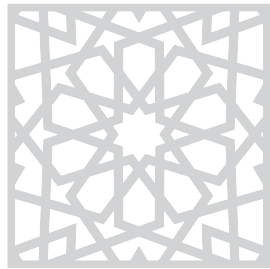
The total trading of investment real estate increased notably during Q1-2011 to reach KD 281,076 million compared to KD 188,348 million in Q4-2011, with an increase of 49.2% February came as a top volume leader in Q1-2011 recording KD122,616 million, March came second recording KD 92,834 million, while January came third recording KD 65,625 million.

Commercial Real Estate Trends

Total commercial real estate trading decreased notably during Q1-2011 because of the pessimistic view that is dominating the market, 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 has decreased by 66% registering KD 36,315 million as compared to Q4-2010, which reached KD 106.619 million decreasing its share of trading to 5 % of the total trading. Private real estate transactions accounted for 54.8%, investment transactions accounted for 38.9%.

March came first valuing KD 25.165 million, while January came the second registering KD 7.992 million, and February the third accounting for KD 3.158 million, and the average transaction registered 1.911 million KD during Q1 - 2011 compared to 4,635 million KD during Q4 – 2010.





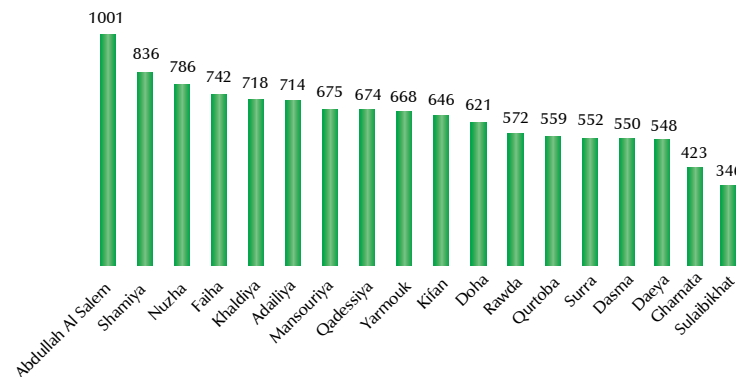
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Price Indices:

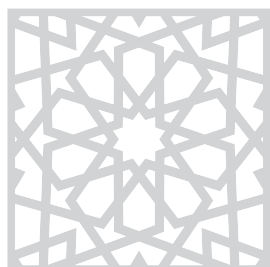
First: Prices of Private Housing Lands:

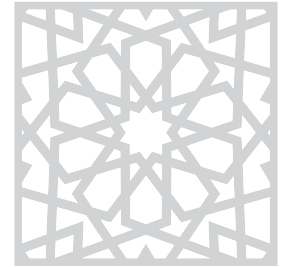
The State aims to complete more than 70 thousand housing units by the end of 2015. Since the number of applications reached 87 thousand with an increase of up to 8,000 applications each year. This situation has driven the state to take immediate actions and raise the offerings to provide the additional housing units so as the shortage in supply would not lead prices to soar. As part of its efforts, the state is planning to build 22 thousand residential units through developing 4 new cities. Market price indices monitored by KFH showed stability in the prices of residential lands during Q1-2011 in the Capital Governorate registering an average rate of KD 667.8 per square meter in Q1 – 2010 compared to 640.6 in Q4 – 2010, while other areas (Dahiya Abdulla Al Salem, Shamiya, Residential Shuwaikh, Faiha, Keifan, Adeliya, Qadsiya, Yarmouk, Deyia, Ghornata, Sulaibikhat, Doha) witnessed a slight increase (%1: 3.5).

Average rate of Private Housing in Capital Governorate- Q1, 2011



Area	M ²	% of Built Area	Location	Street	Value in KD *		Rate per Meter (KD)		AR in Q1-2011 (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



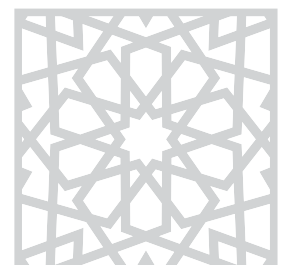


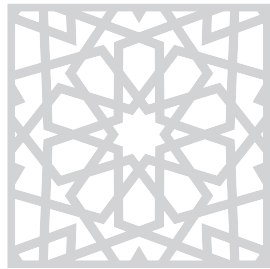
Area	M ²	% of Built Area	Location	Street	Value in KD *		Rate per Meter (KD)		AR in Q1-2011 (KD)*
					From	To	From	To	
Shamiya	250	210 %	Internal		180,000	250,000	720	1,000	860.0
	500	210 %	Internal		330,000	450,000	660	900	780.0
	750	210 %	Internal		450,000	560,000	600	747	673.3
	1,000	210 %	Internal		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 Q1-2011 (KD)*
					From	To	From	To	
Adeliya	500	210%	Internal		320,000	380,000	640	760	700
Adeliya	500	210%	Prime		350,000	450,000	700	900	800
Adeliya	750	210%	Internal		420,000	500,000	560	667	613.3
Adeliya	750	210%	Prime		450,000	560,000	600	747	673.3
Adeliya	1,000	210%		3rd Ring	700,000	800,000	700	800	750
General Area Average					542,500	617,500	662.5	765.4	714

* (KD) Valued in Kuwaiti Dinar

* AR means average rate per square meter in KD.

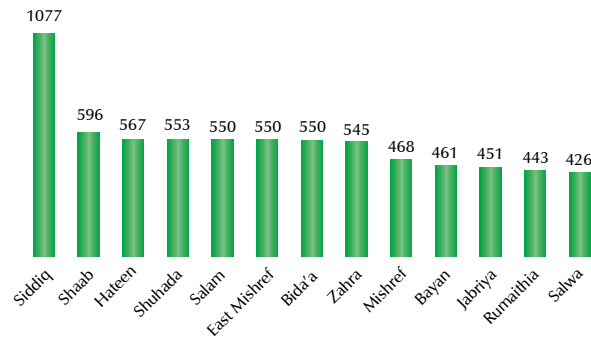




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According to the latest KFH survey, prices in Hawally Governorate increased in Shaab, Jabriya, Rumaithiya, Salwa, Bayan, Mishref, West Mishref, Al Zahraa, Al Saddiq, Bidaa).

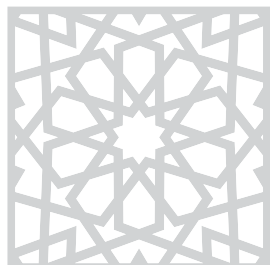
Average Rate of Private Housing in Hawally Governorate- Q1, 2011

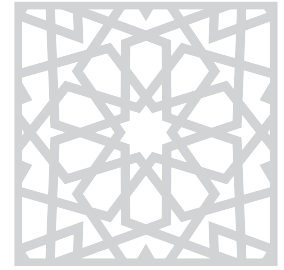


Area	% of Built Area	M ²	Location	Street	Value in KD *		Rate per Meter (KD)		AR in Q1-2011 (KD)*
					From	To	From	To	
Al Salam	210%	400	Internal		210,000	230,000	525	575	550
	210%	400	Prime		235,000	250,000	588	625	606.3
	210%	500	Internal		230,000	265,000	460	530	495
	210%	500	Prime		250,000	300,000	500	600	550
General Area Average					231,250	261,250	518	583	550.3
Hateen	210%	400	Internal		210,000	230,000	525	575	550
	210%	400	Prime		235,000	250,000	588	625	606.3
	210%	500	Internal		230,000	265,000	460	530	495
	210%	500	Prime		250,000	300,000	500	600	550
General Area Average					231,250	261,250	518	583	550.3
Shuhadaa	210%	400	Internal		210,000	230,000	525	575	550
	210%	400	Prime		235,000	250,000	588	625	606.3
	210%	500	Internal		230,000	265,000	460	530	495
	210%	500	Prime		250,000	300,000	500	600	550
General Area Average					231,250	261,250	518	583	550.3
Zahraa	210%	400	Internal		210,000	230,000	525	575	550
	210%	400	Prime		235,000	250,000	588	625	606.3
	210%	500	Internal		230,000	250,000	460	500	480
	210%	500	Prime		250,000	295,000	500	590	545

* (KD) Valued in Kuwaiti Dinar

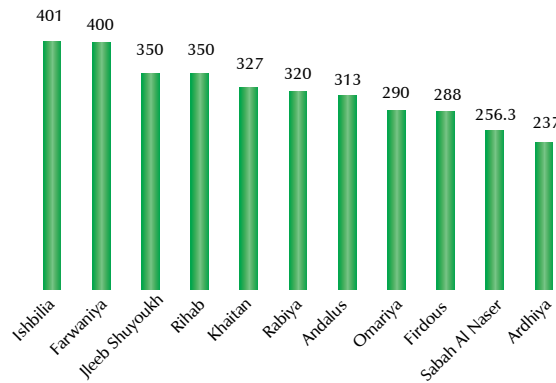
* AR means average rate per square meter in KD





The Farwaniya Governorate has recorded an average price rate of KD 321 per square meter during Q1- 2011. The latest studies conducted by KFH showed that 6% price increase in Andalus, Al Rabiya, Ashbeelia, Farwaniya, Ardiya, Sabah Al Nasser, Al Fardous, Al Omaria, and Al Rihab remained stable.

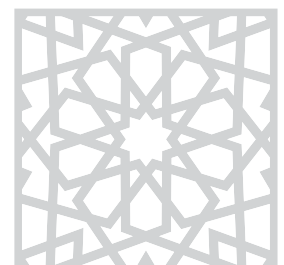
Average Rate of Private Housing in Farwaniya Governorate- Q1, 2011

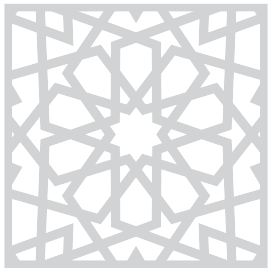


Area	% of Built Area	M ²	Location	Street	Value in KD *		Rate per Meter (KD)		AR in Q1-2011 (KD)*
					From	To	From	To	
Andalus	210%	500	Internal		140,000	165,000	280	330	305
Andalus	210%	500	Prime		170,000	190,000	340	380	360
Andalus	210%	750	Internal		190,000	220,000	253	293	273.3
Andalus	210%	750	Prime		230,000	250,000	307	333	320
Andalus	210%	750	5th Ring		240,000	270,000	320	360	340
General Area Average					194,000	219,000	300	339	320
Rabiya (Existing House)	210%	500	Internal		130,000	160,000	260	320	290
Rabiya (Existing House)	210%	500	Prime		150,000	185,000	300	370	335
General Area Average					140,000	172,500	280	345	312.5
Ashbeeliya	210%	400	Internal		145,000	175,000	363	438	400
Ashbeeliya	210%	400	Prime		160,000	195,000	400	488	443.8
Ashbeeliya	210%	500	Internal		155,000	190,000	310	380	345
Ashbeeliya	210%	500	Prime		180,000	235,000	360	470	415
General Area Average					160,000.00	198,750.00	358.1	443.8	400.9

* (KD) Valued in Kuwaiti Dinar

* AR means average rate per square meter in KD.

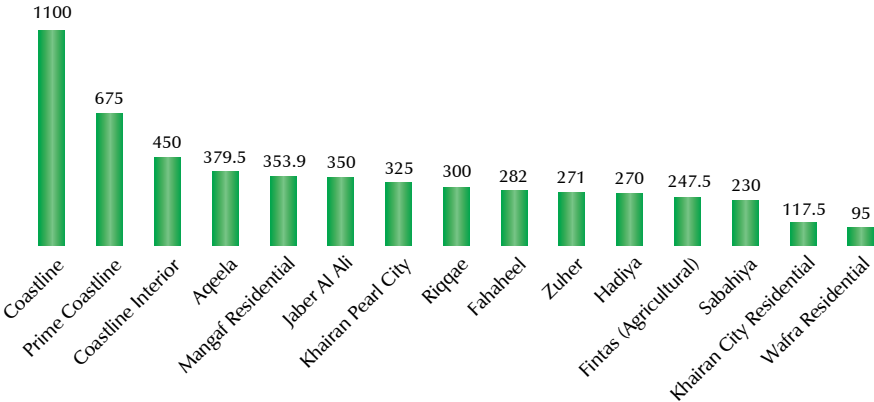




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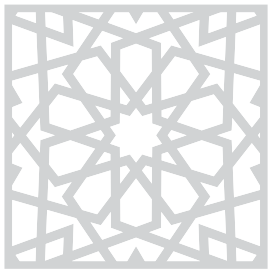
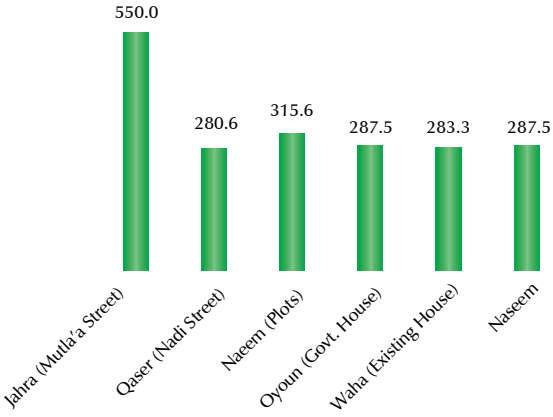
In the Ahmadi Governorate, the prices have witnessed an increase to reach an average price of KD 325 per square meter in Q1- 2011, compared to KD 321 per square in meter Q4-2010, where prices have risen in Al Fintas, Hadiya, Al Aqaila, Coastal Strip C, Jaber Al Ali, Al Mangaf, Al Sabahiya, Al dhahar, Al Sabahiya from 1.5% to 3.8%.

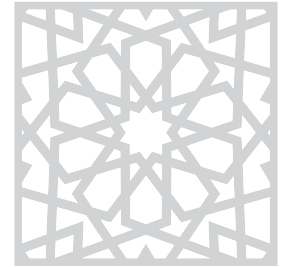
Average Rate of Private Housing in Ahmadi Governorate- Q1, 2011



Prices stabilized in Al Jahra Governorate in Al Jahra, Al Oyoum, Al Naem, and Al Waha where the average price reached KD 320 per square meter.

Average Rate of Private Housing in Jahra Governorate - Q1, 2011





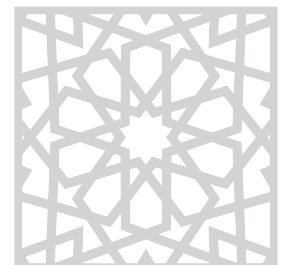
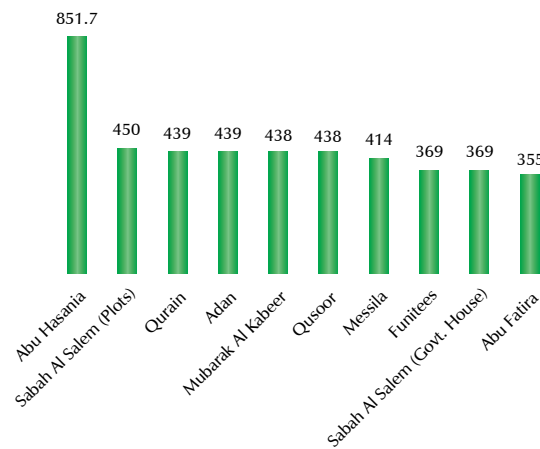
Area	% of Built Area	M ²	Location	Street	Value in KD *		Rate per Meter (KD)		AR in Q1-2011 (KD)*
					From	To	From	To	
Qasr	210%	750	Internal		145,000	85,000	193	247	220
Qasr (Al Nadi Street)	210%	1000		Nadi Street	360,000	400,000	360	400	380
Qasr (Existing House)	210%	600			135,000	155,000	225	258	241.7
Jahra (Mutlaa Street)	210%	400	Internal		210,000	230,000	525	575	550
Al Oyoum (Government House)	210%	400	Prime		105,000	125,000	263	313	287.5
Al Naem (Plots)	210%	400	Internal		125,000	150,000	313	375	343.75
Al Naem (Government House)	210%	400	Prime		105,000	125,000	263	313	287.5
Al Waha (Existing House)	210%	300			80,000	90,000	267	300	283.33
Al Nassim (Government House)	210%	400	Prime		105,000	125,000	263	313	287.5
Gernaral Area Average					152,222	176,111	297	344	320

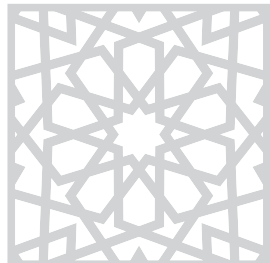
* (KD) Valued in Kuwaiti Dinar

* AR means average rate per square meter in KD.

Mubarak Al Kabir Governorate has registered a slight increase in prices where the average price per square meter reached KD 465 in Q1-2011 compared to KD 452 in Q1-2010 at an approximate rate of 1%.

Average Rate of Private Housing in Mubarak Al Kabeer Governorate - Q1, 2011



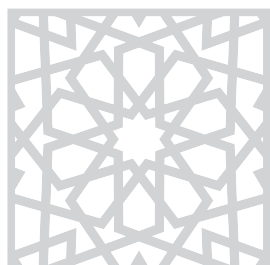


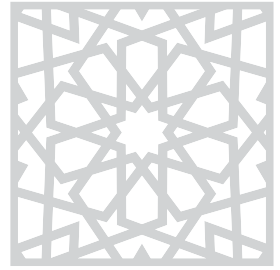
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Area	% of Built Area	M ²	Location	Street	Value in KD *		Rate per Meter (KD)		AR in Q1-2011 (KD)*
					From	To	From	To	
Abo Al Hasania	150%	750	Internal		382,500	562,500	510	750	630
Abo Al Hasania	150%	750		Fahaheel	487,500	637,500	650	850	750
Abo Al Hasania	150%	750	Sea Side		862,500	900,000	1,150	1,200	1175
General Area Average					577,500	700,000	770	933	852
Messila	210%	400	Internal		140,000	165,000	350	413	412.5
Messila	210%	400	Main		170,000	210,000	425	525	475
Messila	210%	500	Internal		160,000	190,000	320	380	350
Messila	210%	500	Main		190,000	230,000	380	460	420
General Area Average					165,000	198,750	369	444	414
Funaitees	210%	400	Internal		120,000	145,000	300	363	331.3
Funaitees	210%	400	Internal		140,000	185,000	350	463	406.3
Funaitees	210%	500	Internal		135,000	175,000	270	350	350
Funaitees	210%	500	Main		180,000	210,000	360	420	390
General Area Average					143,750	178,750	320	399	369
	210%	400	Internal		115,000	140,000	288	350	318.8
Abo Ftaira (East Qurain)	210%	400	Main		135,000	175,000	338	438	387.5
	210%	500	Internal		130,000	165,000	260	330	330
	210%	500	Main		175,000	210,000	350	420	385

* (KD) Valued in Kuwaiti Dinar

* AR means average rate per square meter in KD.

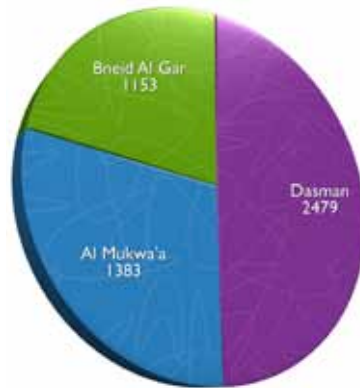




Second: Prices of Investment Lands:

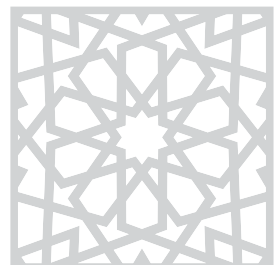
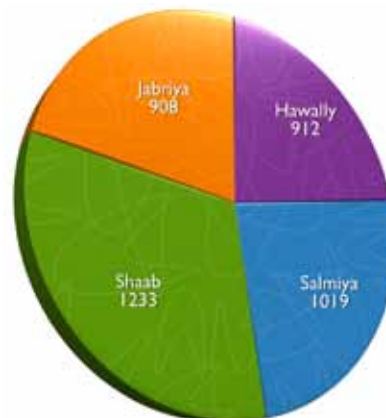
Investment lands prices remained stable in the Capital Governorate at an average meter price of KD 1,667. Average price per meter square in Bneid Al Gar reached KD 1,152, KD 1,383 in East Al Mukwa'a and KD 2,479 in Dasman.

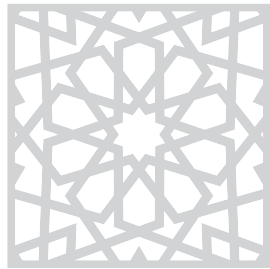
Average Rate per Square Meter in the Capital Governorate- Q4, 2010



In Hawally Governorate, the average price increased to KD 1,003 per square meter in Q1-2011 from KD 987.6 per square meter in Q4-2010 where areas like Hawalli, Salmiya, Shaab and Jabriya witnessed a price increase from 1.5 to 5%.

Average Rate per Square Meter in the Hawally Governorate - Q1, 2011

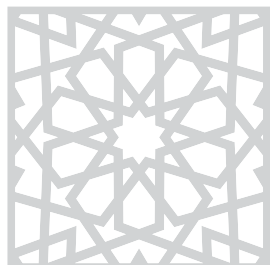


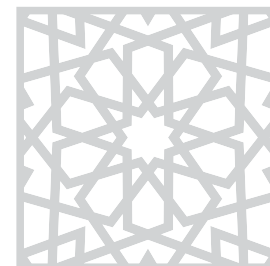


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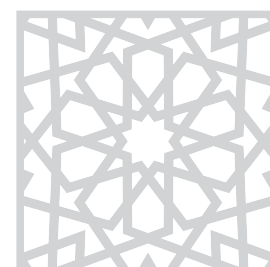
Average Annual Return of Properties in Certain Areas

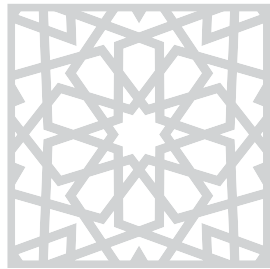
Governorate	Area	%Area Built	Area	Location	Street	Percentage of Sale Profit from the property's annual return for Q1-2011		
						From	To	Average
Capital	Bneid Al Gar	250%	1,000		Arabian Gulf	7.75%	8.00%	7.88%
	Bneid Al Gar	250%	1,000	Internal		8.00%	8.50%	8.25%
	East Muqawaa	240%	250	Internal		7.00%	8.00%	7.50%
	East Muqawaa	400%	500	Prime		7.50%	8.00%	7.75%
	East Muqawaa	400%	500	Internal		7.70%	8.00%	7.85%
	Dasman	400%	1,000		Arabian Gulf	8.00%	8.00%	8.00%
	Dasman	400%	750		Abdullah Al Ahmad	8.00%	8.00%	8.00%
	Hawalli	250%	750		Muthana	8.00%	8.50%	8.25%
	Hawalli	250%	750		Qutaiba	8.00%	8.50%	8.25%
	Hawalli	250%	1,000		Yarmouk	8.00%	8.50%	8.25%
	Hawalli	250%	1,000		Fahaheel	8.00%	8.50%	8.25%
	Hawalli	Hawalli	250%	1,000		Sharhabeel	8.00%	8.50%
Hawalli		250%	500	Internal		8.00%	8.50%	8.25%
Hawalli		250%	750	Internal		8.00%	8.50%	8.25%
Hawalli		250%	500	Prime		8.00%	8.50%	8.25%
Salmiya		250%	1,000		Arabian Gulf	8.00%	8.50%	8.25%
Salmiya		250%	1,000		Baghdad	8.00%	8.50%	8.25%
Salmiya		250%	1,000		Abdulkarim Al Khatabi	8.00%	8.50%	8.25%
Salmiya		250%	1,000		Qatar	8.00%	8.50%	8.25%
Salmiya		250%	1,000		Yousef Ben Masaoud	8.00%	8.50%	8.25%
Salmiya		250%	750	Internal		8.00%	8.50%	8.25%
Shaab		250%	1,000		Arabian Gulf	7.75%	8.50%	8.13%
Shaab		250%	1,000		Istiqlal	8.00%	8.50%	8.25%
Farawaniya	Farwaniya	250%	1,000		Airport	8.50%	9.00%	8.75%
	Farwaniya	250%	1,000	Prime		8.50%	9.00%	8.75%
	Farwaniya	250%	1,000	Internal		8.75%	9.00%	8.88%
	Farwaniya	250%	750	Internal		8.75%	9.00%	8.88%
	Farwaniya	250%	500	Internal		8.75%	9.00%	8.88%
	Kheitan	250%	750		Airport	8.50%	9.00%	8.75%
	Kheitan	250%	750	Prime		8.50%	9.00%	8.75%
	Kheitan	250%	750	Internal		8.75%	9.00%	8.88%
	Kheitan	250%	600	Internal		8.75%	9.00%	8.88%
	Regae	250%	750		4th Ring	8.75%	9.00%	8.88%
	Regae	250%	750		5th Ring	8.75%	9.00%	8.88%
	Regae	250%	1,000		5th Ring	8.75%	9.00%	8.88%
Regae	250%	1,000		4th Ring	8.75%	9.00%	8.88%	





Governorate	Area	%Area Built	Area	Location	Street	Percentage of Sale Profit from the property's annual return for Q1-2011		
						From	To	Average
Ahamdi	Fintas	250%	500	Internal		9.00%	9.50%	9.25%
	Fintas	250%	750	Prime		9.00%	9.50%	9.25%
	Fintas	250%	750		Fahaheel	9.00%	9.50%	9.25%
	Fintas	250%	1,000		Coastal Road	9.00%	9.50%	9.25%
	Abo Hleifa	250%	500	Internal		9.00%	9.50%	9.25%
	Abo Hleifa	250%	750	Internal		9.00%	9.75%	9.38%
	Abo Hleifa	250%	750	Prime		9.00%	9.50%	9.25%
	Abo Hleifa	250%	750		Fahaheel	9.00%	9.50%	9.25%
	Abo Hleifa	250%	1,000		Coastal Road	9.00%	9.50%	9.25%
	Mangaf	250%	750	Internal		9.00%	9.75%	9.38%
	Mangaf	250%	750	Prime		9.00%	9.50%	9.25%
	Mangaf	250%	1,000		Coastal Road	9.00%	9.50%	9.25%
	Mahboola	250%	750	Internal		9.00%	10.00%	9.50%
	Mahboola	250%	750		Fahaheel	9.00%	9.50%	9.25%
	Mahboola	250%	1,000		Coastal Road	9.00%	9.50%	9.25%
	Fahaheel	250%	500	Internal		9.00%	9.50%	9.25%
	Fahaheel	250%	500	Prime		9.00%	9.50%	9.25%
	Fahaheel	250%	750	Internal		9.00%	9.50%	9.25%
	Fahaheel	250%	750	Prime		9.00%	9.50%	9.25%
	Fahaheel	250%	750		Fahaheel	9.00%	9.50%	9.25%
Jahraa	Jahraa	250%	1,000	Internal		9.50%	10.00%	9.75%
	Jahraa	250%	1,000	Prime		9.50%	10.00%	9.75%
	Jahraa	250%	800		Al Khuzami	9.50%	10.00%	9.75%
	Jahraa	250%	500	Prime		9.50%	10.00%	9.75%
Mubarak Al Kabir	Messila	250%	750	Internal		8.75%	9.25%	9.00%
	Messila	250%	750	Prime		8.50%	9.00%	8.75%
	Messila	250%	1,000	Internal		9.00%	9.50%	9.25%
	Messila	250%	1,000	Prime		9.00%	9.25%	9.13%
	Messila	250%	1,000		Fahaheel	9.00%	9.00%	9.00%





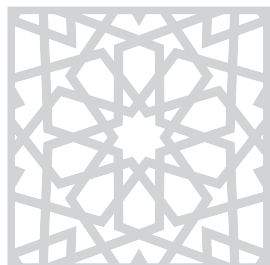
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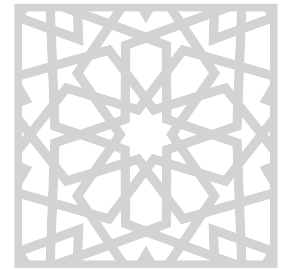
Prices of Investment Land in Hawalli Governorate

Area	% of Built Area	Area	Location	Street	Value*		Price per Meter		AR Q1-2011
					From	To	From	To	
Hawalli	250%	750		Al Muthana	675,000	775,000	900	1,033	966.7
Hawalli	250%	750		Qutaiba	680,000	800,000	907	1,067	986.7
Hawalli	250%	750		Yarmouk	650,000	700,000	867	933	900.0
Hawalli	250%	750	Arabian Gul	Zarqa' Al Yamama	650,000	750,000	867	1,000	933.3
Hawalli	250%	750		Al Muatasem	650,000	775,000	867	1,033	950.0
Hawalli	250%	750		Al Maghreb	650,000	750,000	867	1,000	933.3
Hawalli	250%	1,000		4 th Ring	880,000	950,000	880	950	915.0
Hawalli	250%	750		Fahaheel	700,000	800,000	933	1,067	1000.0
Hawalli	250%	750		Sharhabeel	640,000	690,000	853	920	886.7
Hawalli	250%	500	Internal		400,000	460,000	800	920	860.0
Hawalli	250%	750	Internal		600,000	650,000	800	867	833.3
Hawalli	250%	1,000	Internal		700,000	800,000	700	800	750.0
Salmiya	250%	750		Baghdad	750,000	850,000	1,000	1,133	1066.7
Salmiya	250%	750		Abdulkarim Al Khatabi	750,000	850,000	1,000	1,133	1066.7
Salmiya	250%	750		Qatar	750,000	865,000	1,000	1,153	1076.7
Salmiya	250%	750		Hamad Al Mubarak	700,000	800,000	933	1,067	1000.0
Salmiya	250%	750		Amman	680,000	750,000	907	1,000	953.3
Salmiya	250%	750		Bahrain	700,000	750,000	933	1,000	966.7
Salmiya	250%	500	Main		450,000	500,000	900	1,000	950.0
Salmiya	250%	1,000	Main		760,000	850,000	760	850	805.0
Salmiya	250%	500	Internal		420,000	470,000	840	940	890.0
Shaab	250%	1,000		Arabian Gulf	1,800,000	2,150,000	1,800	2,150	1975.0
Shaab	250%	1,000		Istiqlal	1,050,000	1,220,000	1,050	1,220	1135.0
Shaab	250%	1,000	Internal		800,000	900,000	800	900	850.0
Jabriya	250%	1,000		4 th Ring	1,000,000	1,100,000	1,000	1,100	1050.0
Jabriya	250%	1,000		Al Maghreb	950,000	1,000,000	950	1,150	1050.0
Jabriya	250%	1,000		Al Shanakel	800,000	900,000	800	900	850.0
Jabriya	250%	1,000		Al Hajeri Mosque	800,000	857,000	800	857	828.5
Jabriya	250%	1,000	Internal		750,000	825,000	750	825	787.5

* (KD) Valued in Kuwaiti Dinar

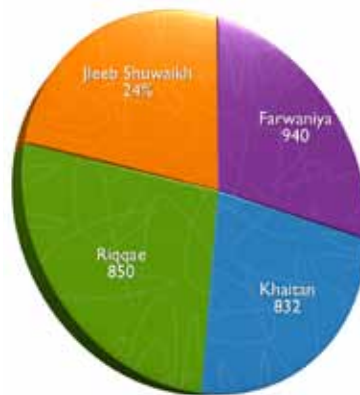
* AR means average rate per square meter in KD.





In Farwaniya Governorate, the average price increased at a rate of 2.5% to KD 843 per square meter in Q1-2011 from KD 823 per square meter during Q4-2010 where areas like Farwaniya, Khaitan and Regai witnessed a price increase from 1.5 to 4%.

Average Rate per Square Meter in the Farwaniya Governorate - Q1, 2011

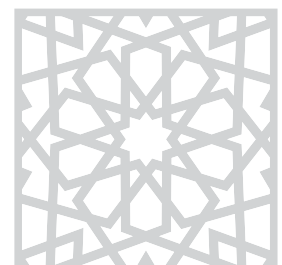


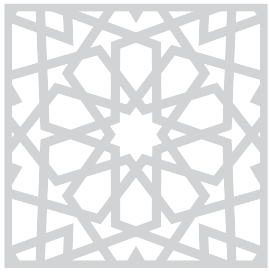
Prices of Investment Land in Al Farwaniya Governorate

Area	% of Built Area	Area	Location	Street	Value*		Price per Meter		AR Q1-2011
					From	To	From	To	
Farwaniya	250%	1,000		Airport	785,000	900,000	785	900	842.5
	250%	1,000		5th Ring	750,000	825,000	750	825	787.5
	250%	1,000	Main		700,000	800,000	700	800	750.0
	250%	750	Internal		580,000	650,000	773	867	820.0
	250%	500	Internal		385,000	450,000	770	900	835.0
Khaitan	250%	750		Airport	650,000	700,000	867	933	900.0
	250%	750	Main		580,000	670,000	773	893	833.3
	250%	500	Internal		375,000	435,000	750	870	810.0
	250%	600	Internal		480,000	540,000	800	900	850.0
	250%	750		6 th Ring	650,000	700,000	867	933	900.0
Jleeb Al Shuyoukh	250%	750		Police Station Mohammed Al Qassem	650,000	750,000	867	1,000	933.3
	250%	750		Mohammed Al Qassem	625,000	700,000	833	933	883.3
	250%	500		Police Station	500,000	550,000	1,000	1,100	1050.0
	250%	500	Internal		400,000	450,000	800	900	850.0
	250%	750	Internal		580,000	650,000	773	867	820.0

* (KD) Valued in Kuwaiti Dinar

* AR means average rate per square meter in KD.





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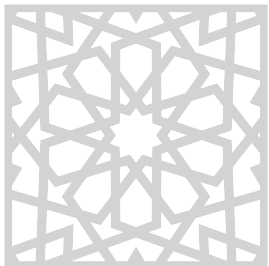
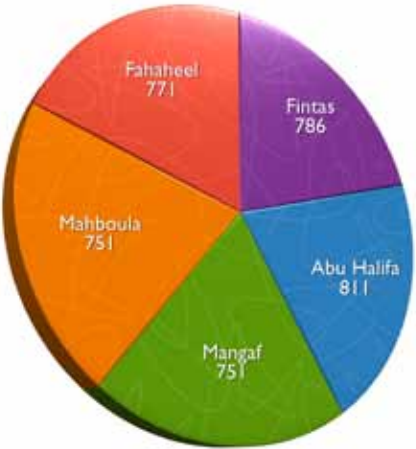
Area	% of Built Area	Area	Location	Street	Value*		Price per Meter		AR Q1-2011
					From	To	From	To	
Regai	250%	750		4 th Ring	680,000	770,000	907	1,027	966.7
	250%	750		5 th Ring	650,000	730,000	867	973	920.0
	250%	1,000		5 th Ring	750,000	850,000	750	850	800.0
	250%	1,000		4 th Ring	770,000	880,000	770	880	825.0
	250%	750	Internal		535,000	635,000	713	847	780.0
	250%	500	Internal		380,000	430,000	760	860	810.0

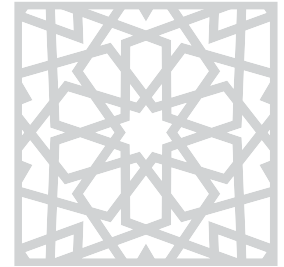
* (KD) Valued in Kuwaiti Dinar

* AR means average rate per square meter in KD.

The Ahmadi Governorate has also showed a slight average price increase of 3% in Q1-2011 compared to Q4-2010. The average price increased to KD 774 per square meter from KD 751.7 per square meter in Q4-2010.

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





As for the Jahra Governorate, prices have increased at a rate of 3.29% in Q1-2011 as compared to Q4-2010 where the average price per meter reached KD 697.5 per square meter compared to KD 675.3 in Q4-2010.

Prices of Investment Land in Al Jahra Governorate

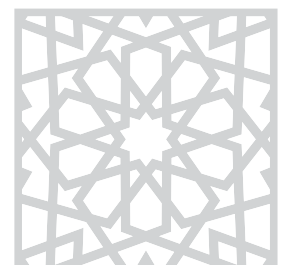
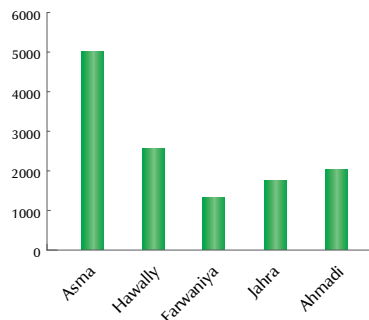
Area	% of Built Area	Area	Location	Value*		Price per Meter		AR Q1-2011
				From	To	From	To	
Jahra	250%	1,000	Internal	540,000	620,000	540	620	580
Jahra	250%	1,000	Main	580,000	700,000	580	700	640
Jahra	250%	800	AlKu-zami	580,000	680,000	725	850	787.5
Jahra	250%	500	Internal	330,000	380,000	660	760	710
Jahra	250%	500	Main	350,000	420,000	700	840	770

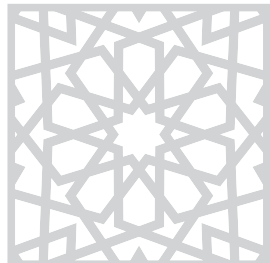
* (KD) Valued in Kuwaiti Dinar

* AR means average rate per square meter in KD.

Third: Prices of Commercial Real Estate Properties:

In Q1-2011, commercial real estate trade prices remained stable in the Capital Governorate at an average price per square meter of KD 5,030. Prices in Mubarakiyah, Ahmad Al Jaber Street, Khaled Bin Al Waleed Street, Al Sour Street, Fahad Al Salem Street, Ali Al Salem Street and Al Gharbally Street remained stable.





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Area	% of Built Area	Street	M ²	Value in KD *		Rate per M ²		AR Q1-2011 (KD)*
				From	To	From	To	
Qibla	300%	Mubarakiyah	500	1,250,000	2,000,000	2,500	4,000	3,250
Sharq	520%	Ahmad Al Jaber	500	2,900,000	3,100,000	5,800	6,200	6,000
Sharq	520%	Khaled Bin Al Waleed	500	2,675,000	2,875,000	5,350	5,750	5,550
City	620%	Al Soor	500	2,750,000	3,000,000	5,500	6,000	5,750
City	300%	Al Soor	500	2,750,000	3,000,000	5,500	6,000	5,750
Qibla	620%	Fahad Al Salem	500	1,500,000	1,700,000	3,000	3,400	3,200
Sharq	520%	Jaber Al Mubarak	500	3,100,000	3,250,000	6,200	6,500	6,350
Qibla	520%	Ali Al Salem	500	1,600,000	1,800,000	3,200	3,600	3,400
Qibla	300%	Al Gharabally	500	1,450,000	2,000,000	2,900	4,000	3,450

* (KD) Valued in Kuwaiti Dinar

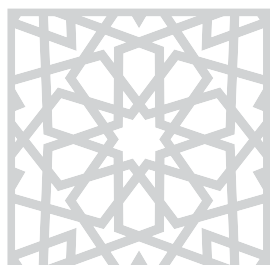
* AR means average rate per square meter in KD.

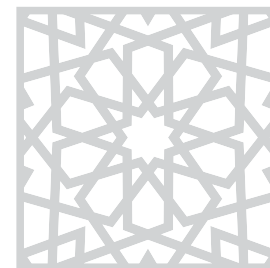
On the other hand, prices increased at a rate of 1.5% in Jahra as compared to Q4-2010 recording an average price per square meter of KD 1,715.

Area	% of Built Area	Street	M ²	Value in KD *		Rate per M ²		AR Q1-2011 (KD)*
				From	To	From	To	
Jahra	180%	Marzouq Al Metaeb	1,000	2,000,000	2,400,000	2,000	2,400	2,200
Jahra	300%	Business and office center	875	1,750,000	1,968,750	2,000	2,250	2,125
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.





In Q1-2011, Hawally Governorate recorded an increase in prices in most areas, as the average price reached KD 2,560 as compared to KD 2,521 per square meter in Q4-2010.

Area	% of Built Area	Street	M ²	Value in KD *		Rate per M ²		AR Q1-2011 (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%	Othman	750	1,500,000	1,875,000	2,000	2,500	2,250
	180%	Ibn Khal-dun	1,000	2,100,000	2,500,000	2,100	2,500	2,300

* (KD) Valued in Kuwaiti Dinar

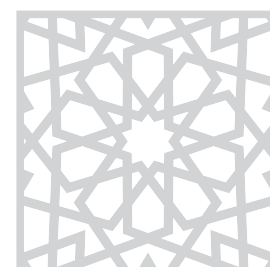
* AR means average rate per square meter in KD.

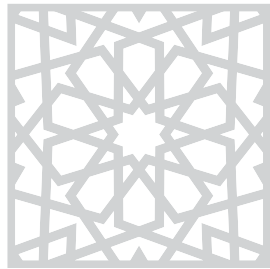
In Farwaniya Governorate, the average price per meter increased at a rate of 2% where in Q1-2011 the average price per square meter reached KD 1,484 compared to KD 1,453 in the previous quarter. Al Farwaniya Al Menawer and Fire Station streets showed a price increase at a rate of 8.8%.

Area	% of Built Area	Street	M ²	Value in KD *		Rate per M ²		AR Q1-2011 (KD)*
				From	To	From	To	
Mangaf	750	300%	Azizia	712,500	862,500	950	1,150	1,050
	750	180%	Al Dabous	2,062,500	2,437,000	2,750	3,250	3,000
Fahaheel	750	180%	Internal	1,350,000	1,875,000	1,800	2,500	2,150
	750	180%	Coastal	2,850,000	3,000,000	3,800	4,000	3,900
	750	280%	Mekka	2,475,000	2,812,500	3,300	3,750	3,525
Khairan Pearl	1000	180%	Internal	950,000	1,050,000	950	1,050	1,000
	1200	180%	Marina	1,500,000	1,620,000	1,250	1,350	1,300

* (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 2,256 in Q1-2011 compared to KD 2,181 in Q4-2010. The latest KFH surveys that studied price fluctuations between areas showed that Fahaheel and Khairan Pearl witnessed 2 to 5% increase percentages as compared to Q4-2010.

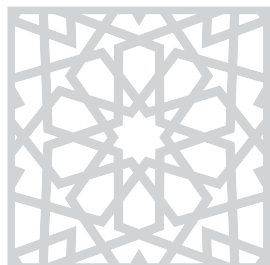
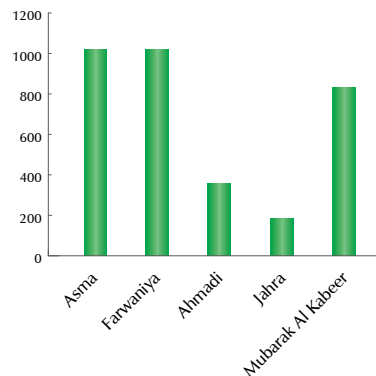
Area	% of Built Area	Street	M ²	Value in KD *		Rate per M ²		AR Q1-2011 (KD)*
				From	To	From	To	
Mangaf	750	300%	Azizia	712,500	862,500	950	1,150	1,050
	750	180%	Al Dabous	2,062,500	2,437,000	2,750	3,250	3,000
Fahaheel	750	180%	Internal	1,350,000	1,875,000	1,800	2,500	2,150
	750	180%	Coastal	2,850,000	3,000,000	3,800	4,000	3,900
	750	280%	Mekka	2,475,000	2,812,500	3,300	3,750	3,525
Khairan Pearl	1000	180%	Internal	950,000	1,050,000	950	1,050	1,000
	1200	180%	Marina	1,500,000	1,620,000	1,250	1,350	1,300

* (KD) Valued in Kuwaiti Dinar

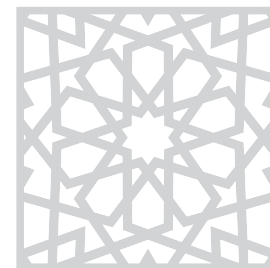
* AR means average rate per square meter in KD.

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

Most industrial plots witnessed a slight price decrease in the Capital Governorate during Q1-2011 where the average price per square meter reached KD 929.7 as compared to KD 913.6 in the previous quarter.



First Quarter 2011 - Kuwait



Area	% of Built Area	M ²	Street	Value in KD *		Rate per Meter (KD)		AR in Q1-2011 (KD)*
				From	To	From	To	
Industrial Shu-wai kh	170%	1,000	Canadadry Street	1,150,000	1,350,000	1,150	1,350	1,250
	170%	1,000	Shahrazad Street	1,000,000	1,150,000	1,000	1,150	1,025
	170%	1,000	Zeinah Street	750,000	1,300,000	750	1,300	1,025
	170%	500	Zeinah Street	450,000	725,000	900	1,450	1,175
	170%	1,000	Internal	400,000	600,000	400	600	500
	170%	5,000	Pepsi Street	3,750,000	4,500,000	750	900	825
	170%	1,000	4 th Ring road	1,100,000	1,350,000	1,100	1,350	1,225
	170%	22,500	Internal	8,750,000	10,250,000	389	456	422
	170%	1,000	Mohammed Al Qassem	750,000	1,000,000	750	1,000	875
	170%	1,000	Al Ghazali Street	850,000	1,100,000	850	1,100	975

* (KD) Valued in Kuwaiti Dinar

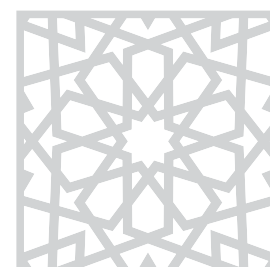
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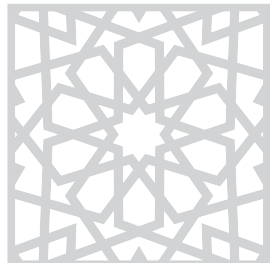
In the Farwaniya Governorate, prices have slightly increased in Al Rai where the average square meter price increased to KD 1,024 in Q1-2011 as compared to KD 1,004 in Q4-2010.

Area	% of Built Area	M ²	Street	Value in KD *		Rate per Meter (KD)		AR in Q1-2011 (KD)*
				From	To	From	To	
Rai	170%	1,000	Al Ghazaly	1,050,000	850,000	850	1,050	950
Rai	170%	2,000	Mohamed Al Qassem	1,800,000	1,600,000	800	900	850
Rai (Car Show-rooms)	170%	4,000	4 th Ring	5,600,000	5,100,000	1,275	1,400	1,338
Rai	170%	1,000	Car Showrooms	800,000	700,000	700	800	750
Rai	170%	1,000	Internal	520,000	380,000	380	520	450

* (KD) Valued in Kuwaiti Dinar

* AR means average rate per square meter in KD.





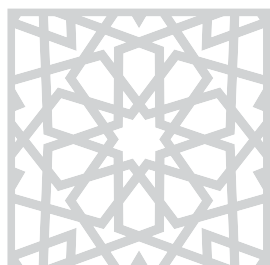
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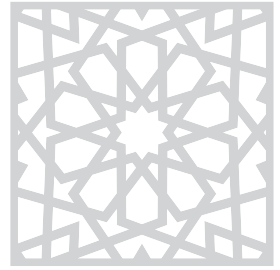
Al Ahmadi Governorate witnessed price stability in Fahaheel and East Ahmadi; registering an average price per square meter of KD 385, in Q1-2011.

Area	M ²	Street	Value in KD *		Rate per Meter (KD)		AR in Q1-2011 (KD)*
			From	To	From	To	
Mina Abdullah	100,000	Behind Gas Station	3,500,000	4,200,000	35.0	42.0	38.50
	10,000	Diverse	750,000	1,000,000	75.0	100.0	87.50
(West) Shuaibah	1,000	Fanar Jewel	130,000	180,000	130.0	180.0	155
(East) Shuaibah	100,000	Diverse	3,500,000	4,200,000	35.0	42.0	38.50
	50,000	Diverse	4,000,000	4,500,000	80.0	90.0	85
Mina Abdullah	50,000	Exported Pebbles Warehousing	850,000	1,250,000	17.0	25.0	21
	10,000	Inside the Port	850,000	1,000,000	85.0	100.0	92.50
Fahaheel	1,000	Sultan Center Street	1,000,000	1,200,000	1,000.0	1,200.0	1,100
	1,000	In front of the Refinery	600,000	650,000	600.0	650.0	625
	1,000	Internal	360,000	500,000	360.0	500.0	430
East Industrial Ahmadi	7,500	Mustafa Karam	2,700,000	3,200,000	360.0	426.7	393.33
	5,000		1,080,000	1,350,000	216.0	270.0	243
	5,000	Warehousing	850,000	1,250,000	170.0	250.0	210

* (KD) Valued in Kuwaiti Dinar

* AR means average rate per square meter in KD.

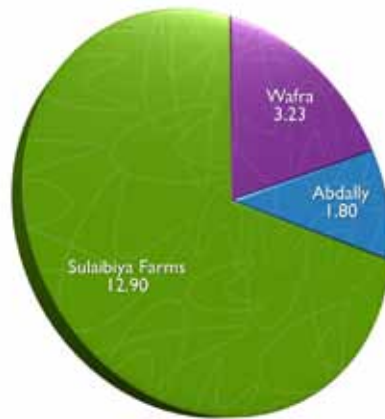




Fifth: Prices of Farm and Pales:

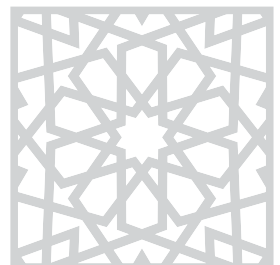
Prices of Abdali and Wafra farms as well as Kabed and Hajan pales increased during Q1-2011 according to KFH studies where Wafra farms recorded an increase at a rate of 5.7%.

Average Rate per Square Meter (Farms) - Q1, 2011



Area	M ²	Price (KD)		Estimated price per square meter (KD)		AR Q1-2011 (KD)*
		From	To	From	To	
Wafra	50,000	140,000	230,000	2.80	4.60	3.700
Wafra	100,000	200,000	350,000	2	3.5	2.750
Abdali	100,000	145,000	210,000	1.45	2.1	1.78
Sulaibiya (Cattle Farms)	1,000,000	2,750,000	3,500,000	2.75	3.5	3.13
	2,500	55,000	65,000	22	26	60
Kabed Pales	50,000	140,000	230,000	2.80	4.60	3.700

* AR means average rate per square meter in KD.





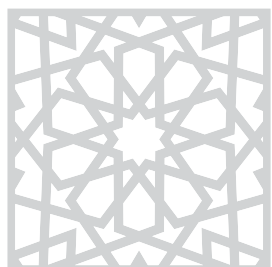
Sixth: Prices of Chalets:

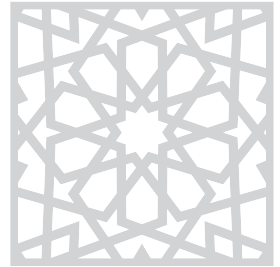
Compared to Q4-2010, chalets prices remained stable in the governorates of Ahmadi, the Capital governorate, and Jahra during Q1-2011.

Average Rate per Square Meter (Chalets) - Q1, 2011



Area	Sea façade	Chalet Value (Land)		Price of Sea façade per Meter (KD)		Average Meter Price of the Sea façade during Q1-2011 (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
Sabya	25	58,000	60,000	2,320	2,400	2,360
Kazma	15	48,000	3,200	3,200	3,333	3,266





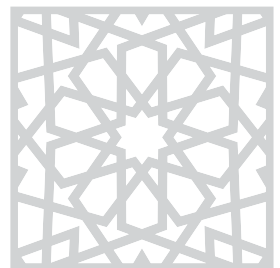
Seventh: Occupancy Rates and Rentals:

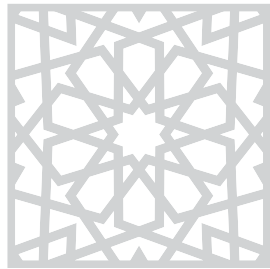
Occupancy rates of all types of investment properties remained stable; ranging from 90% to 95%. Average rental rate has ranged between KD 145 to KD 220 for apartments with 1 b/r and a hall, KD 170 to KD 270 for apartments with 2 b/r and a hall, KD 200 to KD 320 for apartments with 2 b/r, a hall, 2 bathrooms, and a maid room, and KD 260 to KD 450 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 14 to KD 30 per square meter and may reach KD 35 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 6.5 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 12 to KD 20 for each square meter, while the average price rate for each square meter in Industrial Fahaheel is ranged between KD 10 to KD 16.

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





Average Trading of Rental Values of Investment Properties In Governorates of Kuwait, Q1 - 2011

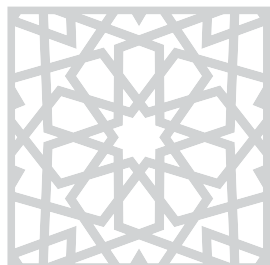
Governorate	Area	1 b/r & 1 Hall (48-50) M ²	2 b/r, 1 hall & a bathroom (58-60) M ²	2 b/r, 1 hall & 2 bathrooms (70-74) M ²	2 b/r, 2 bathrooms & a maid room (80-85) M ²	3 b/r, 1 h, maid room (100-110) M ²
Hawally	Salmiya	170-180	210-250	220-280	250-300	340-400
	Hawally	160-170	200-220	210-240	240-280	300-350
	Jabriya	170-180	210-220	220-250	250-300	340-400
	Shaab	190-200	250-280	280-320	320-340	380-450
Capital	Sharq	215-245	250-270	300-320	350-380	380-450
	Qibla	215-246	250-270	300-320	350-380	380-450
	East Mukawa	215-247	250-270	300-320	350-380	380-450
	Dasman	215-248	250-270	300-320	350-380	380-450
	Bneid Al Gar	200-220	240-260	280-320	320-340	380-450
Farwaniya	Khaitan	160-170	185-200	200-230	240-260	260-300
	Farwaniya	165-175	190-210	200-230	240-260	260-300
	Jleeb Al Shoyoukh	160-170	185-200	200-230	240-260	260-300
	Al Reqae	165-175	190-210	200-230	250-270	280-300
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	160-170	190-200	200-220	225-240	260-280

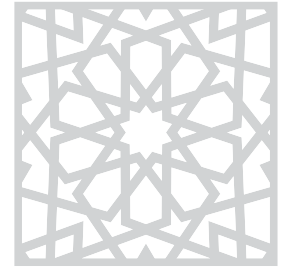
* Rental values include properties with internal locations with new finishing.

* 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).



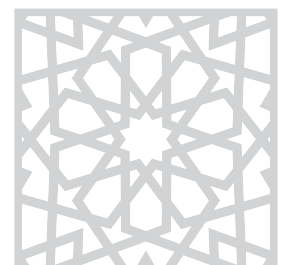


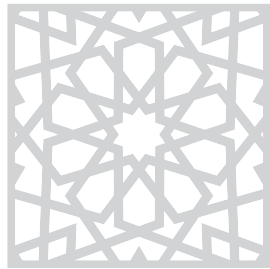
Average Trading of Rental Values of Commercial Properties Throughout Kuwait, Q1-2011

Areas	Basement	Land	Mezzanine	Offices
	Average rental per square meter (KD)	Average rental per square meter (KD)	Average rental per square meter (KD)	Average rental per square meter (KD)
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
Dajeej	2.5	8 - 10	5 - 6	-
Kuwait City	12 - 14	16 - 30	10 - 14	6 - 8
Kuwait City	5 - 7	14 - 18	8 - 10	5.5 - 6.5

Average Trading of Rental Values of Industrial Properties Throughout Kuwait, Q1-2011

Areas	Basement	Land	Mezzanine
	Average rental per square meter (KD)	Average rental per square meter (KD)	Average rental per square meter (KD)
Industrial Shuwaikh	3 - 4	10 - 30	3.5 - 7
Al Rai	2.5 - 3.5	12 - 20	3.5 - 6.5
Sabhan	2.5 - 3	4 - 6	2.5 - 3
Al Ardiya (Warehouses)	3	6 - 6.5	3 - 5
East Ahmadi	2 - 4	8 - 14	3.5 - 5
Industrial Fahaheel	2.5 - 4	10 - 16	3 - 5

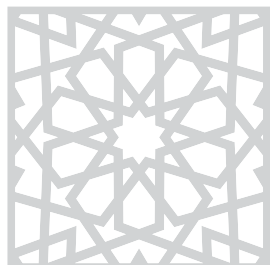


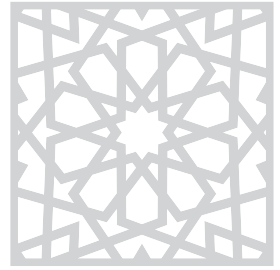


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Prices of Freehold Apartments:

Area	The Planning Opinion	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 Q1-2011 (KD)*
			From	To	From	To	
Bneid Al Gar	Arabian Gulf	95	95,000	120,000	1,000	1,263	1,131.58
Bneid Al Gar	Prime	72	46,000	54,000	639	750	694.44
Bneid Al Gar	Internal	72	40,000	44,000	556	611	583.33
Shaab	Prime	72	48,000	54,000	667	750	708.3
Shaab	Internal	72	40,000	44,000	556	611	583.33
Salmiya	Arabian Gulf+Plagat	95	95,000	115,000	1,000	1,211	1,105.30
Salmiya	Prime	64	34,500	37,000	539	578	558.59
Salmiya	Internal	64	30,500	35,000	477	547	511.7
Salmiya	Prime	74	39,000	44,000	527	595	560.8
Salmiya	Internal	74	36,000	38,500	486	520	503.4
Hawalli	Prime	64	33,500	36,500	523	570	546.9
Hawalli	Internal	64	30,000	34,000	469	531	500
Hawalli	Prime	74	38,000	42,000	514	568	540.5
Hawalli	Internal	74	35,500	38,000	480	514	496.6
Jabriya	Prime	74	46,000	50,000	622	676	648.6
Messila	Prime	72	34,500	37,500	479	521	500
Messila	Internal	72	32,000	34,500	444	479	461.8
Farwaniya	Prime	72	37,000	40,500	514	563	538.2
Fintas	Sea Side	95	84,000	95,000	884	1,000	942.1
Fintas	Prime	72	34,000	36,500	472	507	489.6
Mahboula	Sea Side	95	84,000	95,000	884	1,000	942.1
Mahboula	Prime	72	33,500	36,000	465	500	482.6
Mahboula	Internal	72	30,000	34,000	417	472	444.4
Abo Hleifa	Prime	72	34,000	36,000	472	500	486.1
Abo Hleifa	Internal	72	30,000	34,000	417	472	444.4
Mangaf	Prime	72	34,000	36,000	472	500	486.1
Mangaf	Internal	72	30,000	34,000	417	472	444.4
Fahaheel	Prime	72	35,000	40,000	486	556	520.83
Fahaheel	Internal	72	33,500	36,000	465	500	482.64

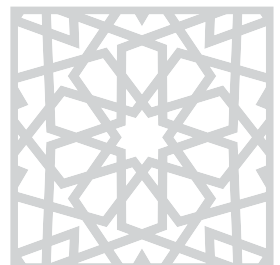


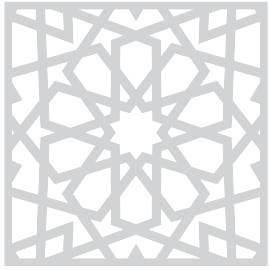


Prices of Commercial Investment Units:

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 Q1-2011 (KD)*
				From	To	From	To	
Bneid Al Gar	Investment	Sea Side	40	100,000	130,000	2,500	3,250	2,875
Bneid Al Gar	Investment	Prime-Internal	40	70,000	90,000	1,750	2,250	2,000
Shaab	Investment	Sea Side	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 Side	40	120,000	140,000	3,000	3,500	3,250
Hawalli	Investment	Prime-Internal	40	60,000	80,000	1,500	2,000	1,750
Messila	Investment	Prime-Internal	40	50,000	70,000	1,250	1,750	1,500
Fintas	Investment	Sea Side	40	90,000	100,000	2,250	2,500	2,375
Fintas	Investment	Internal	40	40,000	55,000	1,000	1,375	1,188
Mahboula	Investment	Sea Side	40	90,000	100,000	2,250	2,500	2,375
Mahboula	Investment	Internal	40	40,000	55,000	1,000	1,375	1,188
Abo Hleifa	Investment	Prime	40	60,000	80,000	1,500	2,000	1,750
Abo Hleifa	Investment	Internal	40	40,000	55,000	1,000	1,375	1,188
Mangaf	Investment	Sea Side	40	90,000	100,000	2,250	2,500	2,375
Mangaf	Investment	Internal	40	40,000	55,000	1,000	1,375	1,188
Fahaheel	Investment	Internal	40	40,000	55,000	1,000	1,375	1,188

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:

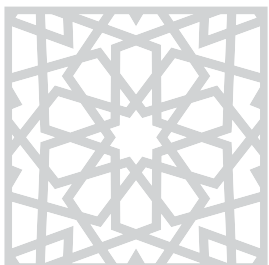
A building designated for short accommodation by guests for tourist and recreational purposes where general services are presented to guests.

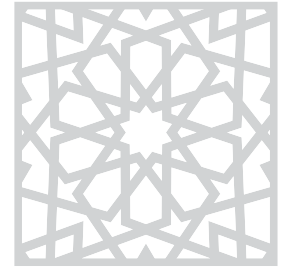
Commercial Building:

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:

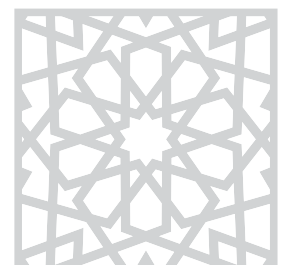
Buildings designated for the cultivation, care, show, and sale of flora and flowers of different types, care of gardens and agricultural products, inventory of seeds and agricultural needs, and office spaces.

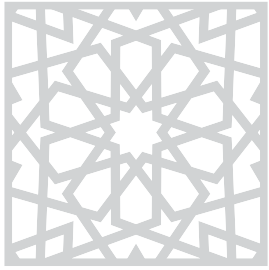
Private Chalets:

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).





KFH LOCAL REAL ESTATE REPORT

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

