



KFH Local Real Estate Report

Third Quarter 2011 - Kuwait

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Kuwait Finance House





KFH Local Real Estate Report
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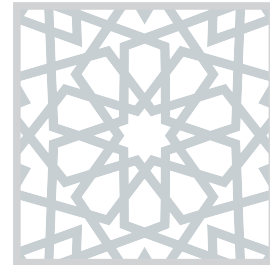
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Valued Reader

The KFH Local Real Estate Report for this quarter presents an overview of the economic progressions in the real estate market during the third quarter of the current year, in addition to the advancements in the field of real estate trading for different property types. It also includes an analysis of prices according to various regions and governorates in Kuwait based on surveys carried out by the Kuwait Finance House periodically.

The report presents a section dedicated to the most important real estate terminologies prevalent in the real estate market for non-specialists to understand them and absorb the common real estate language.

This report comes as part of KFH corporate social responsibility which aims to publish the most significant developments in the market, boost the business environment and provide useful information about the real estate market which occupies a prominent position in the domestic economy.

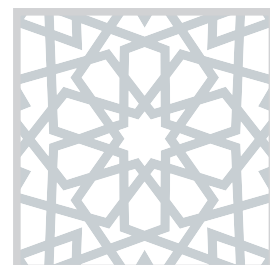
Besides the analysis of the activity and the performance of the local real estate market, the report highlights the economic developments relevant to the establishment of this market as well as its institutional regulatory advancements.

We genuinely hope that this report meets the needs of the market in light of information it contains.



Emad Abdullah Al-Thaqeb

AGM, Finance Sector - KFH





KFH Local Real Estate Report

Introduction

A set of factors have combined and led to a state of anticipation and a significant decrease in real estate trading during the third quarter of 2011 which have been the summer months, holiday season and the Holy month of Ramadan where working hours decreases thus real estate trading rates have fallen dramatically in August of the current quarter which was reflected on the performance of the real estate market as a whole.

Also, the economic crises experienced by markets had their impact on the capital movement to the real estate market during the first half of this year, which boosted trading and increased prices especially investment properties that witnessed high demand in the light of shortage in supply as reflected in 12% increase in prices rate.

As a result some investors have refrained from involving in this market that is rising in prices . Additionally, the abstention of the ministry of justice and Finance to registers residential properties that are larger than 5000 Square meters led to lower trading during the third quarter of 2011 with a rate of 47.8% where the overall rate of real estate transactions reached KD 538,7 million compared with KD 1,032 million during Q2-2011 resulting a lower rate of transactions amounted for 54.5% (this decrease is due to the decrease in the number of units sold, which in turn led to lower residential value of trades at about 47,1% compared to the previous quarter.

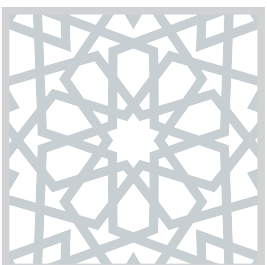
Investment trading decreased in value to reach KD 142,3 million compared to the second quarter where it was marked by a continuous growth since the beginning of the year, in contrast to the commercial transactions that were characterized by sharp fluctuating between growth and extreme decline.

In the face of growing demand for real estate, it is expected that investors will revert again toward developing and building investment real estate in light of the significant stability in the prices of construction materials, especially steel and cement, in addition to the increase among young people wishing to possess a house and the expected 4.7% growth rate in the population between 2011 and 2015, driven by a growth in the number of Kuwaitis as well as the increase in demand for foreign labor representing 68% of the total labor force in Kuwait which enhances the demand for residential and investment real estate.

The increase in government spending on infrastructure projects and oil industry under the five year plan 2010-2014 would increase the demand for real estate and construction industry , where estimates from the Ministry of Finance expects a budget surplus of KD 8.5 billion which represents 23% of the GDP.

Concerning the global and regional economic performance , the world's economic arena is witnessing an increase in the severity of the global economic slowdown affecting mostly the Euro Zone and the United States because of the snowballing of the sovereign debt crisis, downgrade ratings in addition to the adoption of austerity policies backed by economic reforming programs such as the International Monetary Fund and the European Community. This refers to the expected decline in growth up to 4% until the end of 2012 after it exceeded 5% in 2010, according to estimates by the International Monetary Fund. Additionally, the economic pressures resulting the continuing political turmoil in the region, which refers to the return of some foreign investments and indigenization locally and the trend towards real estate investment, which is still characterized by stability that is a safe haven to face inflation rates.

On the other hand, there is no satisfactory solution reached amongst the Ministry of Justice, Ministry of Finance



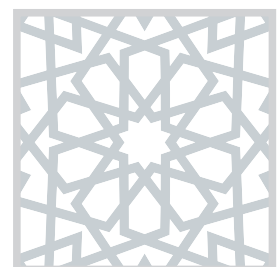
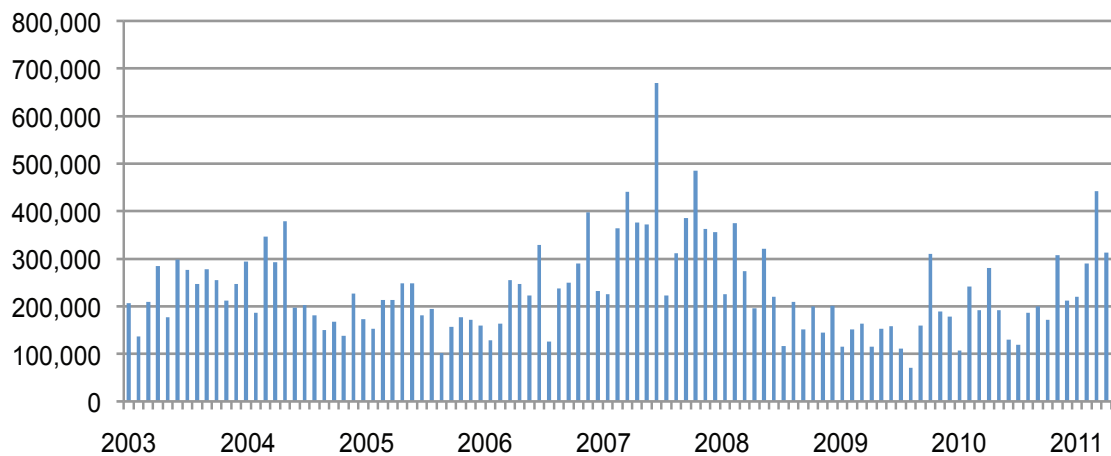


and Islamic banks regarding the collection of taxes on private house property larger than 5000 meters. This case awaits a final nod by the judiciary system to issue a verdict to collect fees retroactively, which had a negative impact on real estate transactions for these types of residential real estate.

The severity of these developments can be reduced through the credit facilities approved by the Savings and Credit Bank in Kuwait to provide subsidized loans for Kuwaiti women married to non-Kuwaitis, and divorced women. This will lead to the emergence of a new market segment that demands residential real estate.

Price Indices for residential real estate rose during Q3-2011 with a percentage of 5.7% across Kuwait governorates and kept rising during the previous quarter.

Real estate transactions per month 2003 -2011





The price indices of investment housing have fallen, while real estate trading transactions increased by 4.3% across Kuwaiti governorates due to the appetite of investors to involve in real estate investment activity. This is because of high rental returns of such an investment ,competitiveness with other investment alternatives such as the Kuwait Stock Exchange and investment deposits , stability and the increase in its prices which reached in Q3-2011 KD 1018.9 compared to an average of KD981 in the previous quarter.

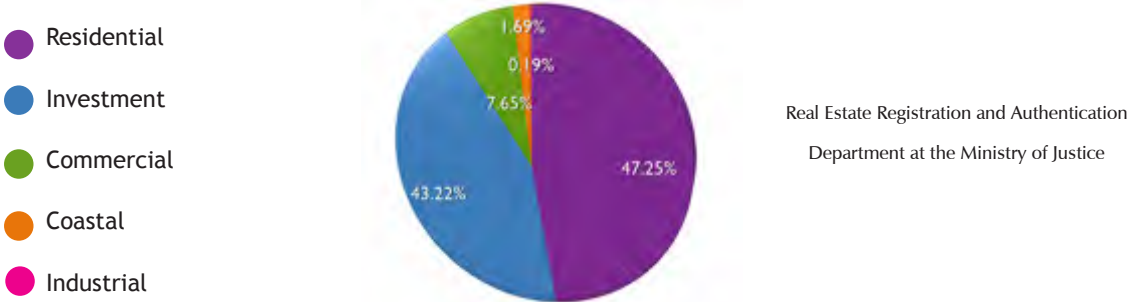
The price indices of commercial real estate in the Capital, Hawali, and Jahra witnessed stability in prices compared to the second quarter where the average price per square meter reached KD 5,030 ,Hawali KD 2,568, Jahra, KD 1,720 while Farwaniya and Ahmadi rose slightly by 1%.

Market Trading Indices

The real estate sector constitutes more than 10% of GDP, where over the past decades, the economic boom led to an increase in 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 government’s 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 establish giant companies in different sectors of the economy, including the offering of a share to the public offering and pumping new investments in the Kuwaiti economy. The Partnerships Technical Bureau announced the launch of a range of projects and initiatives during Q3-2011, the signing of a contract to provide advisory services for the railway project at a cost of KD 2.49 million for 16 months with a coalition of leading international consultants led by Booz & Company. In addition, signing of a contract to provide consultancy services for a project to develop Failaka Island with a coalition of companies led by the National Bank of Abu Dhabi at a cost of KD 2.12 million for a period of 27 months .Furthermore, the proposal of the Naturopathic Medicine Hospital according to Investment Law No. (7) for the year 2008 with a capacity of 500 bed within an investment period of 25 years . Furthermore, the Initial public offering a project labor cities located along South Jahra area of the Sixth Ring Road with 1.015 million square meters with an estimated capacity estimated of 20 thousand laborers.

Real Estate Percentage Distribution during Q3, 2011





Regarding the overall real estate market, the trading indices posted by the Real Estate Registration and Authentication Department at the Ministry of Justice during Q3-2011 showed a decrease of KD 494 million equal to 47.8% as compared to KD1, 032,842 million in Q2-2011.

Private Housing Trends:

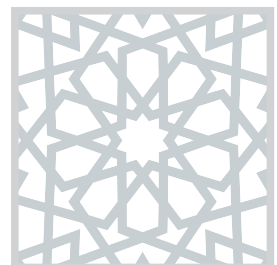
The private housing transactions have decreased compared to the previous quarter thus reaching 47% of the total real estate trading valued KD 538,753 million. The private housing transactions have amounted to KD 253,608 million in Q3-2011, decreasing 54.5 % as compared to Q2-2011. The number of private housing transactions have decreased to reach 1,300 transactions during Q3-2011 as compared to 1,805 in Q2-2011. Average transaction has decreased during Q3-2011 to KD 195,083 million as compared to KD 308,827 million in Q2-2011. September 2011 recorded the highest trading rate accounting for 41% equal to KD 104,428 million of the total private housing transactions amounting to KD 253,608 million during Q3-2011 while July ranked second recording KD 88,747 million recording 34.9% August came last with KD 60,378 million accounting for 23.8% of the total private housing trading.

Investment Real Estate Trends

The total trading of investment real estate decreased notably during Q3-2011 to reach KD 231,962 million compared to KD 374,319 million in Q2-2011, with decrease of 38% , July came as a top volume leader in Q3-2011 recording KD98,133 million, September came second recording KD 74,263 million, while August came third recording KD 59,566 million.

Commercial Real Estate Trends

Total commercial real estate trading decreased notably during Q3-2011. In light 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, commercial real estate offered for rental witnessed a shortage in demand, especially in the Capital area, forcing some to reduce rental prices, trading value has decreased by 58.4 % registering KD 41,070 million as compared to Q2-2011, which reached KD 98,858 million decreasing its share of trading to 7.6 % of the total trading at the expense of real estate transactions for





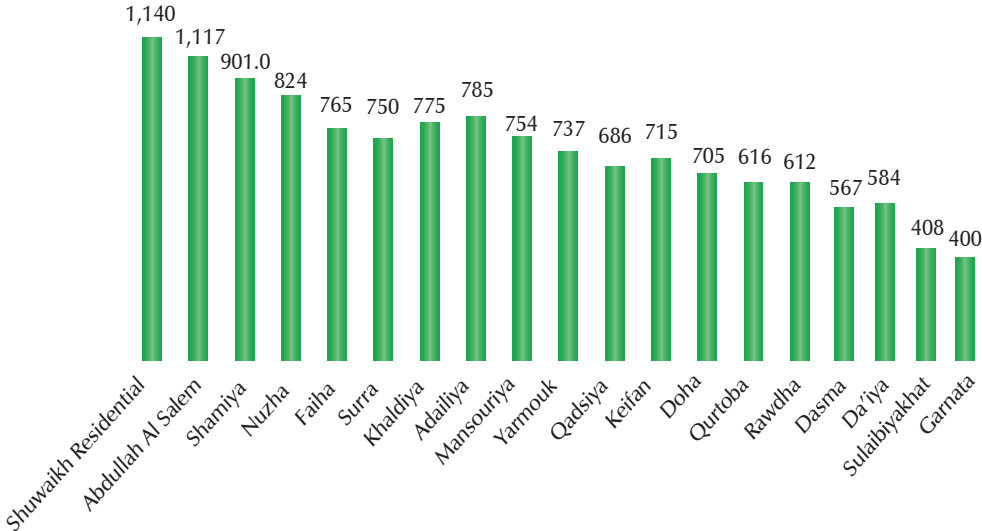
private residence, which approached its share up to 47% and investment deals amounting to 43%, July had ranked first where the trading volume reached 22.491 million Kuwaiti Dinars, while September came second, where the volume of trading to 14.598 Kuwaiti million Dinars, and August also recorded the third place, where trading volume has reached to 3.980 million Kuwaiti dinars. Average trading during Q3-2011 reached KD 3,422 million compared to KD 3,408 million in Q2-2011.

Price Indices:

First: Prices of Private Housing Lands:

The State aims to complete more than 70 thousand housing units by the end of 2015 after the number of applications reached 92 thousand with an increase of up to 8,250 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 an increase in the prices of residential lands during Q3-2011 in the Capital Governorate registering an average rate of KD 705 per square meter in Q3 – 2011 compared to 678 in Q2– 2011, while other areas in Capital Governorate witnessed a slight increase (%2-8.5%).

Average rate of Residential in Capital Governorate- Q3, 2011



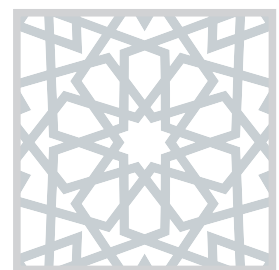
Third Quarter 2011 - Kuwait



Area	Area (M2)	% of Built Area	Location	Street	Value*		Price per Meter		AR Q3-2011 (KD)*
					From	To	From	To	
Abdullah Al Salem	500	210%	Internal		450,000	580,000	900	1,160	1,030
	750	210%	Internal		680,000	800,000	907	1,067	986.7
	1,000	210%	Internal		850,000	,100,000	850	1,100	975.0
	750	210%	Prime		825,000	950,000	1,100	1,267	1,183.3
	1,000	210%	Prime		1,100,000	1,300,000	1,100	1,300	1,200.0
	1,000	210%		Sana	1,250,000	1,400,000	1,250	1,400	1,325.0
General Area Average					859,167	1,021,667	1,018	1,216	1,117

Area	Area (M2)	% of Built Area	Location	Value*		Price per Meter		AR Q3-2011 (KD)*
				From	To	From	To	
Shamiya	250	320 %	Internal	220,000	250,000	880	1,000	940.0
	500	210 %	Internal	340,000	450,000	680	900	790.0
	750	210 %	Internal	530,000	600,000	707	800	753.3
	1,000	210 %	Internal	780,000	880,000	780	880	830.0
	500	210 %	Prime	450,000	550,000	900	1,100	1000.0
	750	210 %	Prime	660,000	830,000	880	1,107	993.3
	1,000	210 %	Prime	900,000	1,100,000	900	1,100	1000.0
	General Area Average				554,286	665,714	818	984

Area	Area (M2)	% of Built Area	Location	Value*		Price per Meter		AR Q3-2011 (KD)*
				From	To	From	To	
khaldiya	750	210%	Internal	470,000	570,000	627	760	693.3
khaldiya	750	210%	Prime	550,000	650,000	733	867	800.0
khaldiya	1,000	210%	Internal	700,000	840,000	700	840	770.0
khaldiya	1,000	210%	Prime	770,000	900,000	770	900	835.0
General Area Average				622,500	740,000	708	842	775





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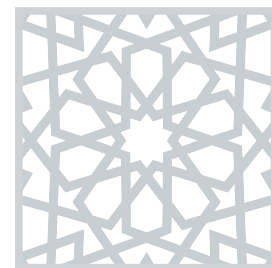
Area	Area (M2)	% of Built Area	Location	Street	Value*		Price per Meter		AR Q3-2011 (KD)*
					From	To	From	To	
Adeliya	500	210%	Internal		330,000	420,000	660	840	750.0
Adeliya	500	210%	Prime		395,000	500,000	790	1,000	895.0
Adeliya	750	210%	Internal		450,000	550,000	600	733	666.7
Adeliya	750	210%	Prime		550,000	650,000	733	867	800.0
Adeliya	1,000	210%		3rd Ring	750,000	850,000	750	850	800.0
Adeliya	1,000	210%		4 th Ring	730,000	830,000	730	830	780.0
Adeliya	1,000	210%		Damascus	735,000	835,000	735	835	785.0
Adeliya	1,000	210%		Riyadh	750,000	850,000	750	850	800.0
General Area Average					586,250	685,625	719	851	785

According to the latest KFH survey, prices in Hawally Governorate increased with an average of 2% to 8%. in Shaab, Jabriya, Rumaithiya, Salwa, Bayan, Mishref, West Mishref, Al Salam, Hateen, Shuhadaa, Al Zahraa, Al Saddiq, Bidaa.

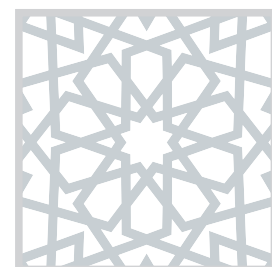
Average Rate of Private Housing in Hawally Governorate- Q3, 2011



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Area	Area (M2)	% of Built Area	Location	Street	Value*		Price per Meter		AR Q3-2011 (KD)*
					From	To	From	To	
Shaab	210%	400	Internal		240,000	270,000	600	675	637.5
Shaab	210%	400	Prime		270,000	300,000	675	750	712.5
Shaab	210%	500	Internal		250,000	300,000	500	600	550.0
Shaab	210%	500	Prime		300,000	350,000	600	700	650.0
Shaab	210%	750	Internal		350,000	420,000	467	560	513.3
Shaab	210%	750	Prime		480,000	520,000	640	693	666.7
General Area Average		550			315,000	360,000	580	663	622
Jabriya	210%	400	Internal		190,000	240,000	475	600	537.5
Jabriya	210%	400	Prime		220,000	260,000	550	650	600.0
Jabriya	210%	500	Internal		220,000	250,000	440	500	470.0
Jabriya	210%	500	Prime		240,000	280,000	480	560	520.0
Jabriya	210%	750	Internal		280,000	325,000	373	433	403.3
Jabriya	210%	750	Prime		330,000	380,000	440	507	473.3
Jabriya	210%	1000	Internal		400,000	435,000	400	435	417.5
Jabriya	210%	1000	5 th Ring & Al Maghreb		450,000	460,000	450	460	455.0
General Area Average		663			285,000	326,875	291,250	328,750	451
Rumaithiya	210%	400	Internal		180,000	210,000	450	525	487.5
Rumaithiya	210%	400	Prime		200,000	230,000	500	575	537.5
Rumaithiya	210%	500	Internal		190,000	240,000	380	480	430.0
Rumaithiya	210%	500	Prime		210,000	260,000	420	520	470.0
Rumaithiya	210%	750	Internal		240,000	260,000	320	347	333.3
Rumaithiya	210%	750	Prime		295,000	335,000	393	447	420.0
Rumaithiya	210%	1000		Al Aqsa St	500,000	550,000	500	550	525.0
Rumaithiya	210%	1000		Al Tawan	550,000	650,000	550	650	600.0
General Area Average		757			295,625	341,875	439	512	475
Salwa	210%	500	Internal		185,000	220,000	370	440	405.0
Salwa	210%	750	Prime		210,000	240,000	420	480	450.0
Salwa	210%	750	Internal		270,000	285,000	360	380	370.0
Salwa	210%	1000	Prime		300,000	330,000	400	440	420.0
Salwa	210%	1000		Al Aqsa St	650,000	750,000	650	750	700.0
Salwa	210%	1000		Al Tawan	550,000	650,000	550	650	600.0
Salwa	210%	500		Fahaheel	420,000	450,000	420	450	435.0
General Area Average		700			369,286	417,857	453	513	483

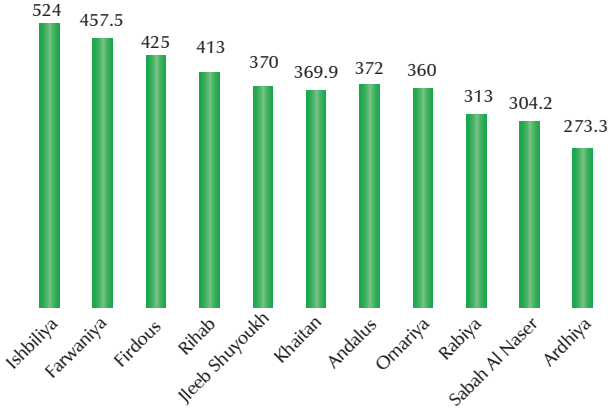




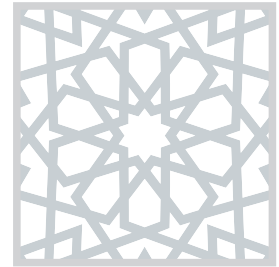
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The Farwaniya Governorate has recorded an average price rate of KD 380 per square meter during Q3- 2011. The latest studies conducted by KFH showed 2 % to 11% price increase in Andalus , Al Rabiya, Ashbeelia, Farwaniya, Ardiya, Sabah Al Nasser, Al Fardous, Al Omariya, and Al Rihab.

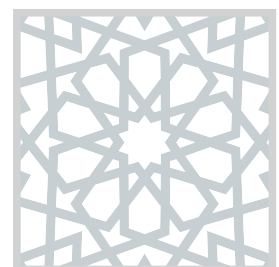
Average Rate of Private Housing in Farwaniya Governorate- Q3, 2011



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Area	Area (M2)	% of Built Area	Location	Street	Value*		Price per Meter		AR Q3-2011 (KD)*
					From	To	From	To	
Andalus	210%	500	Internal		180,000	200,000	360	400	380.0
Andalus	210%	500	Prime		210,000	230,000	420	460	440.0
Andalus	210%	750	Internal		210,000	240,000	280	320	300.0
Andalus	210%	750	Prime		260,000	280,000	347	373	360.0
Andalus	210%	750	5th Ring		270,000	300,000	360	400	380.0
General Area Average					226,000	250,000	335	391	372
Ashbeeliya	210%	400	Internal		180,000	220,000	450	550	500.0
Ashbeeliya	210%	400	Prime		220,000	250,000	550	625	587.5
Ashbeeliya	210%	500	Internal		210,000	250,000	420	500	460.0
Ashbeeliya	210%	500	Prime		265,000	285,000	530	570	550.0
General Area Average					218,750	251,250	487.5	561.3	524.4
Al Farwaniyah	210%	500	Internal		210,000	230,000	420	460	440.0
Al Farwaniyah	210%	500	Prime		225,000	250,000	450	500	475.0
General Area Average					217,500	240,000	435.0	480.0	457,5
Khaitan (Behind the club)	210%	400	Internal		150,000	190,000	375	475	425.0
Khaitan	210%	1000		Faisal Highway	320,000	360,000	320	360	340.0
Khaitan	210%	750	Internal		230,000	250,000	307	333	320.0
Khaitan	210%	750	Prime		265,000	325,000	353	433	393.3
General Area Average					241,250	281,250	338.8	400.4	369.6
Jleeb	210%	750	Internal		235,000	320,000	313	427	370.0
Al- Shuyoukh	210%	750	Internal		175,000	195,000	233	260	246.7
AL-Ardiya	210%	750	Prime		200,000	250,000	267	333	300.0
General Area Average					187,500	222,500	250.0	296.7	273.3

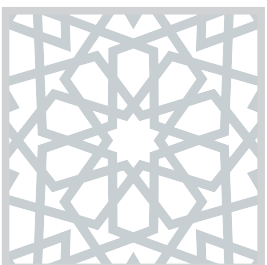




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In the Ahmadi Governorate, prices have witnessed an increase to reach an average price of KD 360 per square meter, compared to KD 347 per square in meter Q2-2011, where prices have risen in the governorate area from 2% to 8%.

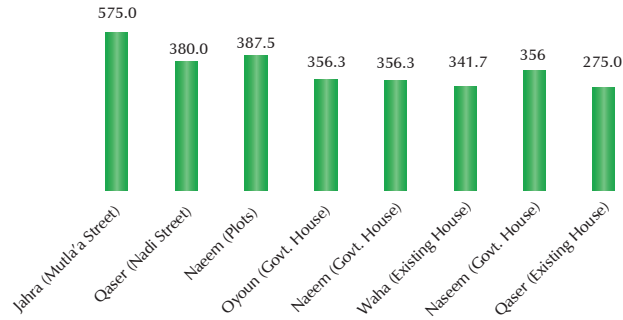
Area	Area (M2)	% of Built Area	Location	Value*		Price per Meter		AR Q3-2011 (KD)*
				From	To	From	To	
Fintas agricultural	210%	1000	Internal	260,000	320,000	260	320	290.0
Fintas agricultural	210%	1000	Prime	350,000	400,000	350	400	375.0
Hadiyah	210%	750	Internal	180,000	220,000	240	293	266.7
Hadiyah	210%	750	Prime	210,000	250,000	280	333	306.7
Al Aqalah	210%	400	Internal	150,000	175,000	375	438	406.3
Al Aqalah	210%	500	Prime	200,000	230,000	400	460	430.0
Coastal strip on the sea	150%	750	On the sea	850,000	900,000	1,133	1,200	1166.7
	150%	750	Coatsal road	550,000	600,000	733	800	766.7
	150%	750		350,000	420,000	467	560	513.3
Sabah Al Ahmad Sea City A1	210%	1200	On the sea	220,000	250,000	179	200	189.6
Sabah Al Ahmad Sea City A2	210%	1200	On the sea	230,000	260,000	192	217	204.2
Khairan Pearl city A3	210%	640	On the sea	192,000	224,000	300	350	325.0
Al Mangaf	210%	375	Internal	135,000	160,000	360	427	393.3
Residential	210%	400	Internal	155,000	175,000	388	438.0	412.5
Al Wafra Residential (existing house)	210%	400	Internal	30,000	46,000	75	115.0	95.0
Jaber Al Ali	210%	400	Internal	140,000	160,000	350	400.0	375.0
Al Zaher (existing House)	210%	278	Internal	85,000	90,000	306	323.7	314.7
Al Fahaheel (Al Badwyeh St	210%	600	Prime	165,000	210,000	275	350.0	312.5



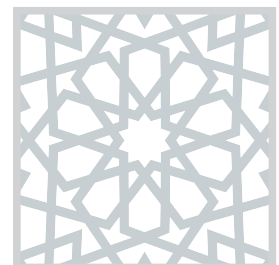
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Al Jahra Governorate recorded a rise in prices in Al Jahra, Al Oyoum, Al Naem, and Al Waha to reach an average price of KD 364 per square meter compared to KD 331 in Q2-2011



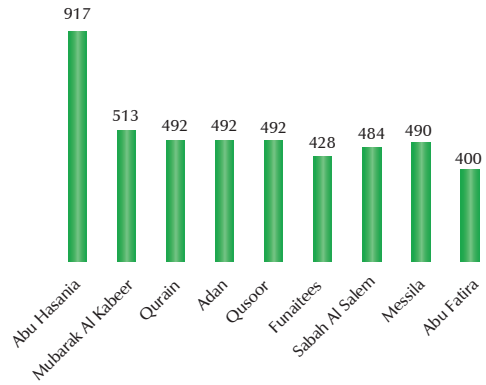
Area	% of Built Area	Area (M2)	Location	Street	Value*		Price per Meter		AR Q3-2011 (KD)*
					From	To	From	To	
Qasr	210%	750	Internal		170,000	200,000	227	267	246.7
Qasr (Al Nadi Street)	210%	1000		Nadi Street	360,000	400,000	360	400	380.0
Qasr (Existing House)	210%	600			155,000	175,000	258	292	275.0
Jahra (Mutlaa Street)	210%	400	Internal		220,000	240,000	550	600	575.0
Al Oyoum (Government House)	210%	400	Prime		115,000	170,000	288	425	356.3
Al Naem (Plots)	210%	400	Internal		130,000	180,000	325	450	387.5
Al Naem (Government House)	210%	400	Prime		115,000	170,000	288	425	356.3
Al Waha (Existing House)	210%	300			90,000	115,000	300	383	341.7
Al Nassim (Government House)	210%	400	Prime		115,000	170,000	288	425	356.3
Gernaral Area Average					163,333	202,222	320	407	364





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Mubarak Al Kabir Governorate has registered an increase in prices where the average price per square meter reached KD 513 compared to KD 486 in Q2-2011 at an approximate rate of 5.5%.



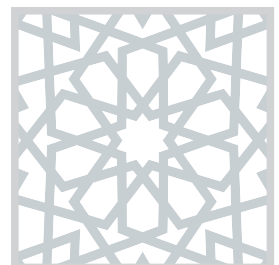
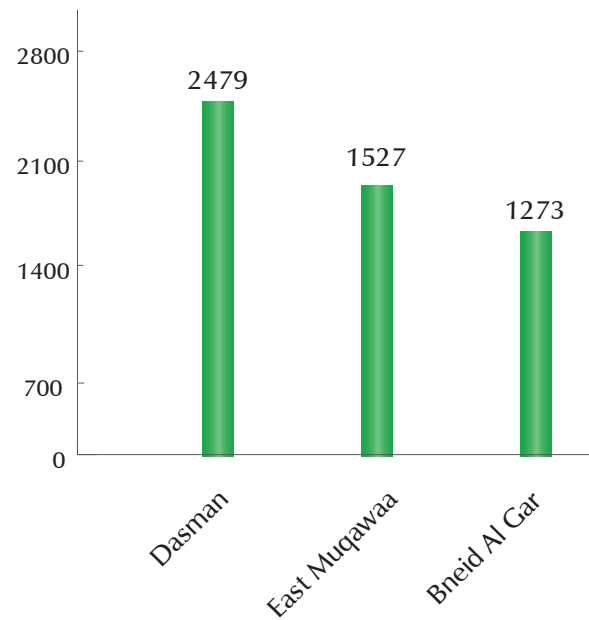
Area	% of Built Area	Area (M2)	Location	Street	Value*		Price per Meter		AR Q3-2011 *(KD)
					From	To	From	To	
Abo Al Hasania	150%	750	Internal		412,500	562,500	550	800	675.0
Abo Al Hasania	150%	750		Fahaheel	600,000	637,500	800	900	850.0
Abo Al Hasania	150%	750	Sea Side		900,000	900,000	1,200	1,250	1225.0
General Area Average					637,500	700,000	850	983	917
Messila	210%	400	Internal		180,000	200,000	450	500	500.0
Messila	210%	400	Main		210,000	230,000	525	575	550.0
Messila	210%	500	Internal		190,000	230,000	380	460	420.0
Messila	210%	500	Main		230,500	260,000	460	520	490.0
General Area Average					202,500	230,000	454	514	490
Abo Ftaira	210%	400	Internal		150,000	160,000	375	400	387.5
Abo Ftaira	210%	400	Main		165,000	175,000	413	438	425.0
Abo Ftaira	210%	500	Internal		170,000	180,000	340	360	360.0
Abo Ftaira	210%	500	Main		200,000	230,000	400	460	430.0





Second: Prices of Investment Lands:

Investment lands prices increased 3.2% in the Capital Governorate at an average meter price of KD 1,760 compared to KD 1,730 in Q2-2011.





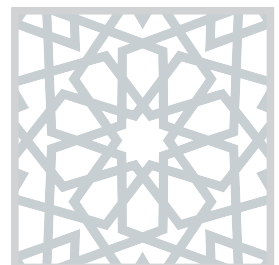
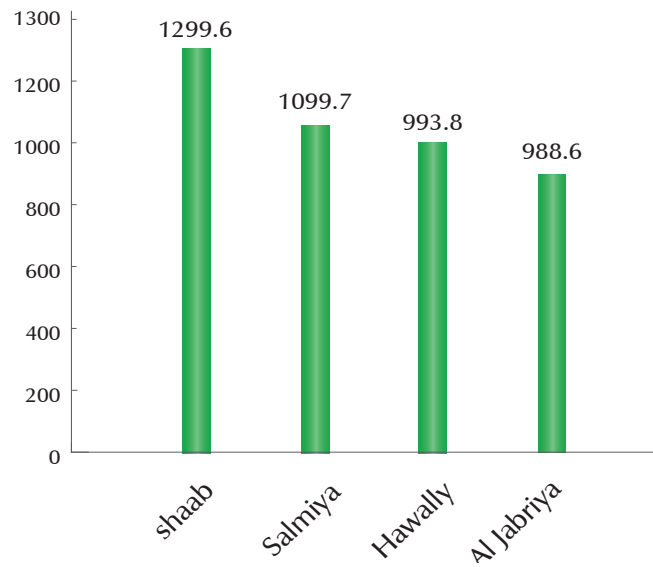
KFH Local Real Estate Report

Area	% of Built Area	Area (M2)	Location	Street	Value*		Price per Meter		AR Q3-2011 *(KD)
					From	To	From	To	
Bneid Al Gar	250%	1,000		Gulf Road	1,850,000	2,050,000	1,850	2,050	1950.0
Bneid Al Gar	250%	1,000		Al Istqalal	1,150,000	1,280,000	1,150	1,280	1215.0
Bneid Al Gar	250%	500	Internal		500,000	580,000	1,000	1,160	1080.0
Bneid Al Gar	250%	500	Prime		550,000	620,000	1,100	1,240	1170.0
Bneid Al Gar	250%	1,000	Internal		850,000	950,000	850	950	900.0
Bneid Al Gar	250%	1,000	Prime	1st & 2ed Ring Road	1,250,000	1,400,000	1,250	1,400	1325.0
General Average of the area		833			1,025,000	1,146,667	1,200.0	1,346.7	1,273.3
East Muqawaa	240%	250	Internal		300,000	340,000	1,200	1,360	1280.0
East Muqawaa	400%	500	Internal		700,000	850,000	1,400	1,700	1550.0
East Muqawaa	400%	500	Prime		800,000	950,000	1,600	1,900	1750.0
General Average of the area		417			600,000	713,333	1,400	1,653	1,527
Dasman	400%	1,000		Arabian Gulf	3,000,000	3,200,000	3,000	3,200	3100.0
Dasman	400%	1,000			1,750,000	1,900,000	1,750	1,900	1825.0
Dasman	400%	750		Abdullah Al Ahmad	1,770,000	2,000,000	2,360	2,667	2513.3
General Average in the Area		917			2,173,333	2,366,667	2,370	2,589	2479.4





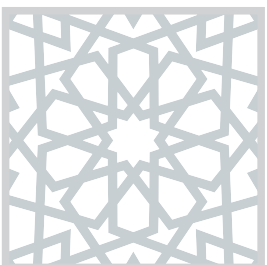
In Hawally Governorate, the average price increased to KD 1,095 per square meter in Q3-2011 compared to KD 1,056 in Q2-2011 where areas like Hawalli, Salmiya, Shaab and Jabriya witnessed a price increase from 2 to 5.8%.

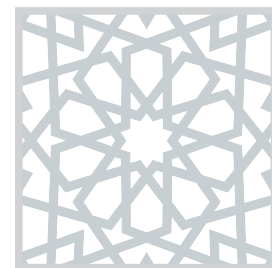




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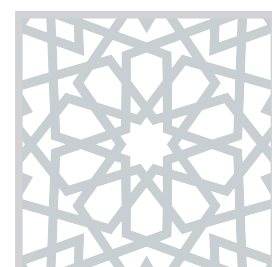
Area	% of Built Area	Area (M2)	Location	Street	Value*		Price per Meter		AR Q3-2011 *(KD)
					From	To	From	To	
Hawali	250%	750		Al Mutahna	730,000	850,000	973	1,133	1053.3
Hawali	250%	750		Qtibah	750,000	900,000	1,000	1,200	1100.0
Hawali	250%	750		Al Yurmok	700,000	760,000	933	1,013	973.3
Hawali	250%	750		Mossa Ben Al Nasser	710,000	810,000	947	1,080	1013.3
Hawali	250%	750		Al Motasem	730,000	850,000	973	1,133	1053.3
Hawali	250%	1,000		4 th Ring Road	980,000	1,050,000	980	1,050	1015.0
Salmiya	250%	1,000		Abdulkareem Al Khotabi	1,800,000	2,200,000	1,800	2,200	2000.0
Salmiya	250%	750		Qatar	830,000	920,000	1,107	1,227	1166.7
Salmiya	250%	750		Yousef ben Hemod	720,000	850,000	960	1,133	1046.7
Salmiya	250%	750		Hamad Al Mubark	780,000	880,000	1,040	1,173	1106.7
Salmiya	250%	750		Amman	730,000	820,000	973	1,093	1033.3
Salmiya	250%	750		Al Bahrian	750,000	830,000	1,000	1,107	1053.3
Shaab	250%	1,000		Arabian Gulf	1,850,000	2,200,000	1,850	2,200	2025.0
Shaab	250%	1,000		Istiqlal	1,200,000	1,280,000	1,200	1,280	1240.0
Shaab	250%	750	Internal	Abdullah Al Ahmad	750,000	800,000	1,000	1,067	1033.3
Jabriyeh	250%	1,000		4 th Ring Road	1,050,000	1,200,000	1,050	1,200	1125.0
Jabriyeh	250%	1,000		Al Maghreb	980,000	1,050,000	980	1,150	1065.0
Jabriyeh	250%	1,000		Macdonalds	950,000	1,100,000	950	1,100	1025.0
Jabriyeh	250%	1,000	Internal		850,000	880,000	850	880	865.0
Jabriyeh	250%	750	Internal		700,000	770,000	933	1,027	980.0





Annual rate of return for real estate investments in specific areas.

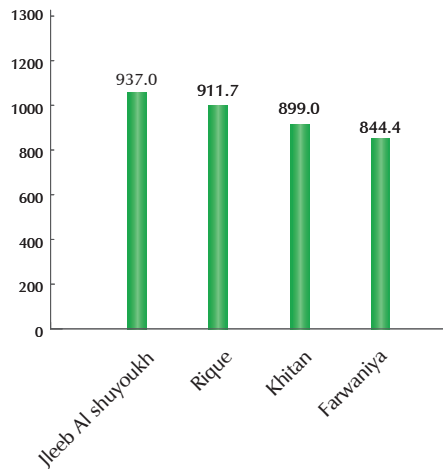
Governorate	Area	Area (M2)	% of Built Area	Location	Selling Return Rate of the real estate annual income		AR Q3-2011 (KD)*
					From	To	
Governorate	Bneid Al Gar	1,000	250%	Prime	7.00%	8.00%	7.50%
		1,000	250%		7.50%	8.00%	7.75%
	East Muqawaa	250	240%	Internal	8.00%	8.00%	8.00%
	East Muqawaa	500	400%	Prime	7.00%	7.50%	7.25%
	Dasman	1,000	400%	Internal	7.75%	8.00%	7.88%
	1,000	400%	7.75%		8.00%	7.88%	
Hawally	Hawali	750	250%		7.50%	8.00%	7.75%
	Hawali	750	250%		7.50%	8.00%	7.75%
	Hawali	1,000	250%		7.50%	8.00%	7.75%
	Hawali	1,000	250%		7.50%	8.00%	7.75%
	Salmiyah	1,000	250%	Internal	7.00%	7.70%	7.35%
	Salmiyah	1,000	250%		7.50%	8.00%	7.75%
	Salmiyah	1,000	250%		7.50%	8.00%	7.75%
	Salmiyah	1,000	250%		7.50%	8.00%	7.75%
	Salmiyah	750	250%		7.50%	8.00%	7.75%
	Salmiyah	1,000	250%		7.50%	8.00%	7.75%
Shaab	1,000	250%	Internal	7.00%	8.00%	7.50%	
Shaab	1,000	250%		7.50%	8.00%	7.75%	
Farwaniya	Farwaniya	1,000	250%	Internal	8.00%	8.50%	8.25%
	Farwaniya	1,000	250%		8.25%	8.75%	8.50%
	Farwaniya	750	250%		8.25%	8.75%	8.50%
	Farwaniya	500	250%	Internal	7.75%	8.50%	8.13%
	Khaitan	750	250%	Internal	8.00%	8.50%	8.25%
	Khaitan	750	250%		8.25%	8.75%	8.50%
	Al Reqae	750	250%		8.00%	8.50%	8.25%
	Al Reqae	1,000	250%		8.25%	8.50%	8.38%
	Al Reqae	1,000	250%		8.00%	8.50%	8.25%
Ahmadi	Fintas	500	250%	Internal	8.75%	9.25%	9.00%
	Fintas	750	250%	Prime	8.75%	9.25%	9.00%
	Fintas	750	250%		8.50%	9.25%	8.88%
	Fintas	1,000	250%		8.50%	9.00%	8.75%
	Abu Halifa	500	250%	Internal	8.75%	9.25%	9.00%
	Abu Halifa	750	250%	Internal	8.75%	9.25%	9.00%
	Abu Halifa	750	250%	Prime	8.50%	9.25%	8.88%
	Abu Halifa	750	250%		8.50%	9.25%	8.88%
	Mangaf	750	250%	Prime	8.50%	9.00%	8.75%
	Mangaf	1,000	250%		8.50%	0.00%	4.25%
	Mahboula	750	250%	Internal	9.00%	9.75%	9.38%
	Mahboula	750	250%		8.50%	9.50%	9.00%
	Mahboula	1,000	250%		8.50%	9.00%	8.75%





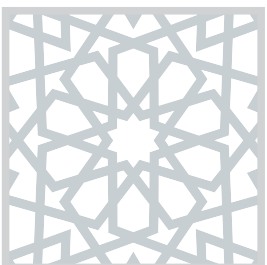
KFH Local Real Estate Report

In Farwaniya Governorate, the average price increased at a rate of 3.9% to KD 898 per square meter in Q3-2011 compared to KD 865 per square meter during Q2-2011 where areas like Farwaniya, Khaitan and Regai witnessed a price increase from 2 to 6%.



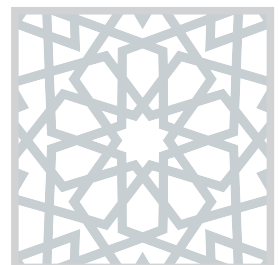
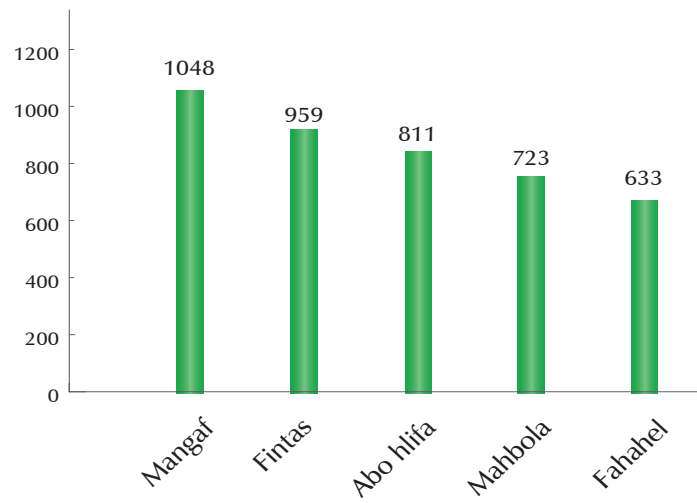
Prices of Investment Land in Al Farwaniya Governorate

Area	% of Built Area	Area (M2)	Location	Street	*Value		Price per Meter		AR Q3-2010
					From	To	From	To	
Farwaniya	250%	1,000		Airport	860,000	980,000	860	980	920.0
Farwaniya	250%	1,000	Main		800,000	900,000	800	900	850.0
Farwaniya	250%	1,000	Internal		750,000	850,000	750	850	800.0
Farwaniya	250%	750	Internal		670,000	770,000	670	770	720.0
Farwaniya	250%	500	Internal		600,000	700,000	800	933	866.7
Farwaniya	250%	500		Airport	440,000	470,000	880	940	910.0
Khitan	250%	750		Airport	700,000	770,000	933	1,027	980.0
Khitan	250%	750	Prime		620,000	730,000	827	973	900.0
Khitan	250%	750	Internal		600,000	650,000	800	867	833.3
Khitan	250%	600	Internal		430,000	460,000	860	920	890.0
Jleeb Al Shuyoukh	250%	750		Police Station Mohammed Al	720,000	770,000	960	1,027	993.3
Jleeb Al Shuyoukh	250%	750		Qassem	660,000	720,000	880	960	920.0
Jleeb Al Shuyoukh	250%	500		Prime	660,000	750,000	880	1,000	940.0





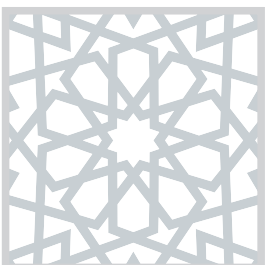
Ahmadi Governorate has also shown a price increase of 4.4% during Q3-2011 where the average price square meter reached KD826 compared to KD792 in Q2-2011.

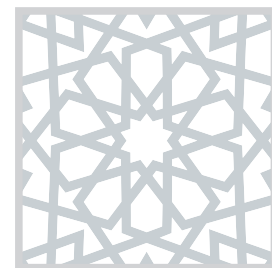




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Area	Area (M2)	% of Built Area	Location	Street	Value*		Price per Meter		AR Q3-2011 (KD)*
					From	To	From	To	
Fintas	500	250%	Prime		350,000	390,000	700	780	740.0
	750	250%	Internal		400,000	485,000	533	647	590.0
	750	250%	Prime		465,000	580,000	620	773	696.7
	750	250%		Fahaheel	550,000	580,000	733	773	753.3
	1,000	250%		Coastal Road	1,350,000	1,450,000	1,350	1,450	1400.0
Abu Halifa	500	250%	Prime		350,000	390,000	700	780	740.0
	750	250%	Internal		400,000	485,000	533	647	590.0
	750	250%	Prime		480,000	580,000	640	773	706.7
	1,000	250%		Coastal Road	1,350,000	1,450,000	1,350	1,450	1400.0
Mangaf	500	250%	Prime		350,000	390,000	700	780	740.0
	750	250%	Internal	Fahaheel	400,000	485,000	533	647	590.0
	750	250%	Prime	Coastal Road	480,000	560,000	640	747	693.3
	750	250%	Prime		530,000	580,000	707	773	740.0
	1,000	250%			1,350,000	1,450,000	1,350	1,450	1400.0
Mahboula	500	250%			330,000	380,000	660	760	710.0
	750	250%			380,000	460,000	507	613	560.0
	750	250%		Fahaheel	480,000	540,000	640	720	680.0
	1,000	250%		Coastal Road	530,000	560,000	707	747	726.7
Fahaheel	500	250%			380,000	420,000	760	840	800.0
	500	250%	Internal		400,000	440,000	800	880	840.0
	750	250%	Prime		450,000	565,000	600	753	676.7
	750	250%	Internal		540,000	650,000	720	867	793.3
	1,000	250%	Prime	Maka	830,000	950,000	830	950	890.0
	750	250%		Al Badwia	585,000	650,000	780	867	823.3





As for the Jahra Governorate, prices have increased at a rate of 8.1% in Q3-2011 as compared to Q2-2011 where the average price per meter reached KD 761 per square meter compared to KD 704 in Q2-2011

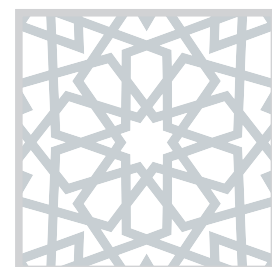
Prices of Investment Land in Al Jahra Governorate

Area	% of Built Area	Area (M2)	Location	street	*Value		Price per Meter		AR Q3-2011
					From	To	From	To	
Jahra	250%	1,000	Internal		650,000	720,000	650.0	720.0	685.00
Jahra	250%	1,000	Main		670,000	800,000	670.0	800.0	735.00
Jahra	250%	800		AlKuzami	650,000	730,000	812.5	912.5	862.50
Jahra	250%	500	Internal		350,000	380,000	700.0	760.0	730.00
Jahra	250%	500	Main		400,000	450,000	800.0	900.0	850.00

Third: Prices of Commercial Real Estate Properties:

In Q3-2011, commercial real estate trade prices remained stable in the Capital Governorate at an average price per square meter of KD 5,030 where 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.

Area	% of Built Area	Street	M ²	Value in KD *		Rate per M ²		AR Q3-2011 (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
Qibla	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
City	620%	Fahad Al Salem	500	1,500,000	1,700,000	3,000	3,400	3,200
Qibla	520%	Jaber Al Mubarak	500	3,100,000	3,250,000	6,200	6,500	6,350
City	520%	Ali Al Salem	500	4,250,000	4,800,000	4,250	4,800	4,525
Qibla	300%	Al Gharabally	500	1,450,000	2,000,000	2,900	4,000	3,450





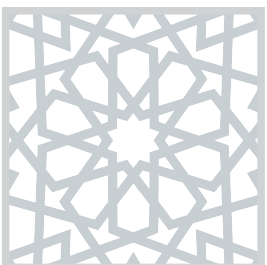
KFH Local Real Estate Report

On the other hand, prices remained stable at an average price per square meter of KD 1,720 in Q3-2011.

Area	% of Built Area	Street	M ²	Value in KD *		Rate per M ²		AR Q3-2011 (KD)*
				From	To	From	To	
Jahra	180%	Marzouq Al Metaeb	1,000	2,000,000	2,400,000	2,000	2,400	2,200
	300%	Business and office center	875	1,750,000	2,012,500	2,000	2,300	2,150
	300%	Al Qaisariyat	225	393,750	450,000	1,750	2,000	1,875

In Hawally Governorate prices remained stable at an average price reached KD 2,568 per square meter in Q3-2011.

Area	Area (M2)	% of Built Area	Street	Value*		Price per Meter		AR Q3-2011 (KD)*
				From	To	From	To	
Hawali	1,000	180 %	Tunis	2,800,000	3,000,000	2,800	3,000	2,900
	1,000	180 %	Beirut	2,700,000	3,000,000	2,700	3,000	2,850
	750	150 %	Al Othman	1,500,000	1,875,000	2,000	2,500	2,250
	1,000	180 %	Ben khaldon	2,100,000	2,500,000	2,100	2,500	2,300
	800	180%	Hamad Al Mubark	1,600,000	1,920,000	2,000	2,400	2,200
Salmiya	800	180%	Salam Al Mubark	2,200,000	2,920,000	2,750	3,650	3,200
	500	180%	Bahrian	1,075,000	1,200,000	2,150	2,400	2,275

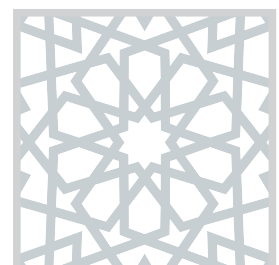


Third Quarter 2011 - Kuwait



In Farwaniya Governorate, the average price per meter increased slightly at a rate of 1.1% where in Q3-2011 the average price per square meter reached KD 1,534 compared to KD 1,518 in Q2. Al Dajeej, showed a price increase at a rate of 4% to 9%.

Area	% of Built Area	Street	M ²	Value in KD *		Rate per M ²		AR Q3-2011 (KD)*
				From	To	From	To	
Farwaniya	180 %	Menawer Street	1,000	2,750,000	3,250,000	2,750	3,250	3,000
Farwaniya	180 %	Menawer Street	750	2,437,500	2,812,500	3,250	3,750	3,500
Farwaniya	180 %	Fire Station	800	1,880,500	2,120,500	2,350	2,650	2,500
Khaitan	180 %	Administrative and Commercial	1,000	1,800,000	2,000,000	1,800	2,000	1,900
Jleeb Al shoyoukh	180 %	Co-op Street	1000	1,400,000	1,600,000	1,400	1,600	1,500
opposite Co-op Jleeb Al shoyoukh (Back)	180 %	Internal	1000	750,000	2,850,000	750	850	800
Al Dhajeej (5000 m)	180 %	Internal	5,000	4,000,000	4,500,000	800	900	850
		Internal	1,000	1,400,000	1,600,000	1,400	1,600	1,500
Al Dhajeej	250 %	6 th Ringroad	5,000	1,500,000	2,500,000	300	500	400
(South of Khaitan)	250 %	Internal	5,000	1,400,000	2,000,000	280	400	340





KFH Local Real Estate Report

In Al Ahmadi Governorate, prices have also increased as the average price per square meter reached KD 2,347 in Q3-2011 compared to KD 2,317 in Q2-2011. The latest KFH surveys that studied price fluctuations between areas showed that prices in the commercial and administrative center of Fintas witnessed 5 to 7% increase percentages as compared to Q2-2011.

Area	M ²	% of Built Area	Value in KD *		Rate per M ²		AR Q3-2010 (KD)*
			From	To	From	To	
Mangaf	750	300 %	750,000	900,000	1,000	1,200	1,100
Fintas (Commercial and administrative)	1000	180%	2,650,000	2,850,000	2,650	2,850	2,750
	1000	180%	2,200,000	2,400,000	2,200	2,400	2,300
Fahaheel	750	180 %	2,062,500	2,437,500	2,750	3,250	3,000
	750	180 %	1,500,000	1,875,000	2,000	2,500	2,250
	750	180 %	2,850,000	3,000,000	3,800	4,000	3,900
	750	280%	2,475,000	2,812,500	3,300	3,750	3,525

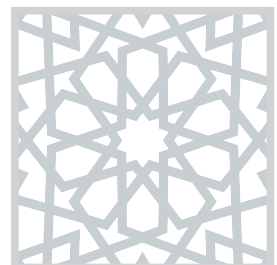




Fourth: Prices of Industrial Plots (Usufruct & Warehousing Contracts):

Most industrial plots witnessed a slight price increase in the Capital Governorate during Q3-2011 where the average price per square meter reached KD 977 as compared to KD 950. in Q2.

Area	Type	% of Built Area	M ²	Street	Value in KD *		Rate per M ²		AR Q3-2011 (KD)*
					From	To	From	To	
Industrial Shuwaikh	showroom	170%	1,000	Canadadry Street	1,250,000	1,400,000	1,250	1,400	1,325
			1,000	Shahrazad Street	1,000,000	1,150,000	1,000	1,150	1,025
	1,000		Zeinah Street	900,000	1,300,000	900	1,300	1,100	
	500		Zeinah Street	580,000	700,000	1,160	1,400	1,280	
	500		Al Kahrba Street	490,000	520,000	980	1,040	1,010	
	1,000		Internal	400,000	600,000	400	600	500	
	5,000		Pepsi Street	3,750,000	4,500,000	750	900	825	
	1,000		4 th Ring road	1,250,000	1,350,000	1,250	1,350	1,300	
	22,500		Internal	8,750,000	10,250,000	389	456	422	
	1,000		Mohammed Al Qassem	850,000	1,100,000	850	1,100	975	
1,000	Al Ghazali Street	870,000	1,100,000	870	1,100	985			





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In the Farwaniya Governorate, prices have slightly increased in Al Ardiya Craft Zone which recorded a clear exponential growth ranged from (5-9%) because of the issuance of a court appeal for not renewing commercial licenses in Abu Feterah Craft Zone and the move of investors toward Al Ardiya Craft Zone. Prices increased slightly to %1.4 at Al Rai and the average price per square meter price was recorded at KD 1,219 in Q3-2011 compared to KD 1,150 in Q2-2011.

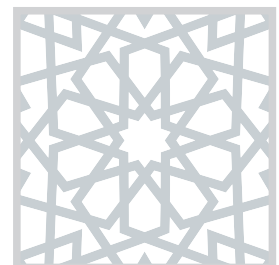
Area	% of Area Built	M ²	Street	Value in KD*		Rate per M ²		AR Q3-2011 (KD)*
				From	To	From	To	
Rai	170 %	1,000	Al Ghazaly	850,000	1,050,000	850	1,050	950
Rai	170 %	2,000	Mohamed Al Qassem	1,750,000	1,900,000	875	950	913
Rai (Car Showrooms)	170 %	4,000	4 th Ring	5,200,000	5,800,000	1,300	1,450	1,375
Rai	170 %	1,000	Car Showrooms	700,000	800,000	700	800	750
Rai	170 %	1,000	Internal	380,000	550,000	380	550	465





Al Ahmadi Governorate witnessed price increase at Industrial East Ahmadi, warhouses and industrial showrooms with a rate ranges from 2.6 to 5%.

Area	M ²	Street	Value in KD*		Rate per M ²		AR Q3-2011 (KD)*
			From	To	From	To	
Mina Abdullah	100,000	Behind Gas Station	4,000,000	4,500,000	40.0	45.0	42.5
	10,000	Diverse	850,000	1,050,000	85.0	105.0	95.0
(West) Shuaibah	1,000	Fanar Jewel	130,000	180,000	130.0	180.0	155.0
	100,000	Diverse	4,000,000	4,500,000	40.0	45.0	42.5
(East) Shuaibah	50,000	Diverse	4,000,000	4,500,000	80.0	90.0	85.0
	1,000	Sultan Center Street	1,000,000	1,200,000	1,000.0	1,200.0	1,100
Fahaheel	1,000	In front of the Refinery	600,000	650,000	600.0	650.0	625
	1,000	Internal	380,000	580,000	380.0	580.0	480
East Industrial Ahmadi	7,500	Mustafa Karam	2,700,000	3,200,000	360.0	426.7	393.33
	5,000		1,150,000	1,400,000	230.0	280.0	255
	5,000	Warehousing	900,000	1,250,000	180.0	250.0	215





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Fifth: Prices of Farm and Pales:

Prices of Abdali farms increased with a rate of %8.1 during Q3-2011 as well as Sulaibiya cattle farms with a rate of %2.3 while prices at Al Wafra were stable at a price of KD 3.2 per square meter.

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	3.70
Wafra	100,000	200,000	350,000	2.00	3.50	2.75
Abdali	100,000	180,000	220,000	1.80	2.20	2.00
Sulaibiya (Cattle Farms)	50,000	450,000	550,000	9.00	11.00	10.00

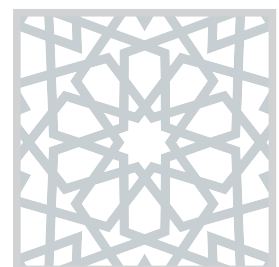




Sixth: Prices of Chalets:

There is a correlation between chalets prices and the summer time where chalets prices were stable in the governorates of Ahmadi, the Capital governorate, and Jahra compared to Q2-2011.

Area	Sea façade	Chalet Value (Land)		Price of Sea façade per Meter (KD)		Average Meter Price of the Sea façade during Q3-2011 (KD)
		From	To	From	To	
Mina Abdullah	15	150,000	195,000	10,000	13,000	11,500
Al Dabaeah	15	165,000	210,000	11,000	14,000	12,500
Al Juliah	15	240,000	300,000	16,000	20,000	18,000
Nuwaiseeb	15	157,000	215,000	12,466	14,333	13,400
Asheerge (Doha)	15	55,000	86,250	4,167	5,750	4,959
Doha	15	70,000	101,250	5,167	6,750	5,708
Sabya	25	58,000	60,000	2,820	2,400	2,610
Kazma	15	48,000	50,000	3,700	3,333	3,516





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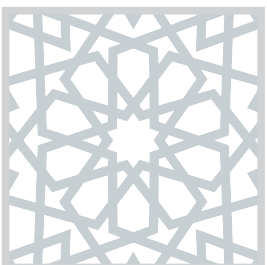
Seventh: Occupancy Rates and Rentals:

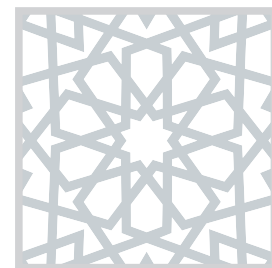
Occupancy rates of all types of investment properties remained stable; ranging from 90% to 95%. Average rental rate has ranged between KD 145 to KD 220 for apartments with 1 b/r and a hall, KD 170 to KD 270 for apartments with 2 b/r and a hall, KD 200 to KD 320 for apartments with 2 b/r, a hall, 2 bathrooms, 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 reached 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.

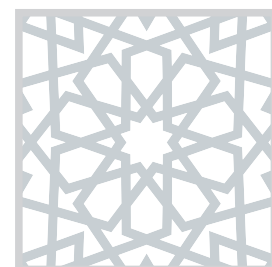
On the other hand, prices of freehold apartment and commercial units (occupancy allowance) witnessed price stability.





Average Trading of Rental Values of Investment Properties
In Governorates of Kuwait, Q3 – 2011, (KD)

Governorate	Area	1 b/r & 1 Hall (40-44) M ²	2 b/r, 1 hall & a bathroom (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	220-250	240-300	265-320	480-500
	Hawally	160-170	200-230	230-250	240-280	450-480
	Jabriya	170-180	220-240	230-260	250-300	450-500
	Shaab	190-200	250-280	280-320	320-340	480-520
Capital	Sharq	220-240	260-280	330-350	360-400	480-550
	Qibla	220-240	260-280	330-350	360-400	480-550
	East Mukawa	220-240	250-270	330-350	360-400	480-550
	Dasman	220-240	250-270	330-350	360-400	480-550
	Bneid Al Gar	200-220	250-280	280-320	320-340	480-550
Farwaniya	Khaitan	160-170	185-200	200-230	240-260	280-350
	Farwaniya	165-175	190-210	200-230	240-260	280-350
	Jleeb Al Shoyoukh	160-170	185-200	200-230	240-260	260-330
	Al Reqae	165-175	190-210	200-230	250-270	300-350
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	280-300
	Fahaheel	160-175	180-210	200-220	225-250	285-320
Mubarak Al Kabeer	Messila	170-180	200-220	235-260	260-300	330-380
Jahra	Jahra	160-170	190-200	200-220	235-260	280-320





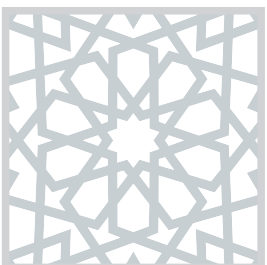
KFH Local Real Estate Report

Average Trading of Rental Values of Commercial Properties Throughout Kuwait, «Q3-2011», (KD)

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, «Q3-2011», (KD)

Areas	Basement	Ground	Mezzanine
	Average rental per square meter (Warehouses)	Average rental per square meter (Showrooms)	Average rental per square meter (offices)
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

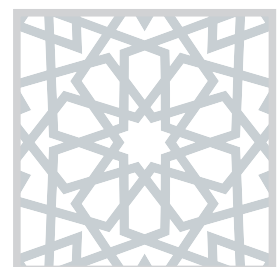




Prices of Freehold Apartments:

Area	Official Classification	Description of Location	Net Area of the Apartment	Market Value of the Apartment		AR M2 of the Net Surface Area of the Apartment		AR Q3-2011 (KD)*
				From	To	From	To	
Bneid Al Gar	Investment	Arabian Gulf	40	105,000	135,000	2,625	3,375	3,000
Bneid Al Gar	Investment	Prime-Internal	40	75,000	90,000	1,875	2,250	2,063
Shaab	Investment	Prime-Internal	40	75,000	85,000	1,875	2,125	2,000
Salmiya	Investment	Arabian Gulf	40	125,000	145,000	3,125	3,625	3,375
Hawalli	Investment	Prime-Internal	40	65,000	85,000	1,625	2,125	1,875
Jabriya	Investment	Prime-Internal	40	65,000	85,000	1,625	2,125	1,875
Messila	Investment	Prime-Internal	40	50,000	70,000	1,250	1,750	1,500
Farwaniya	Investment	Prime-Internal	40	57,500	82,000	1,438	2,050	1,744
Fintas	Investment	Arabian Gulf	40	95,000	105,000	2,375	2,625	2,500
Fintas	Investment	Internal	40	40,000	55,000	1,000	1,375	1,188
Mahbola	Investment	Arabian Gulf	40	95,000	110,000	2,375	2,750	2,563
Mahbola	Investment	Internal	40	42,500	55,000	1,063	1,375	1,219
Abo hlefa	Investment	Prime	40	62,000	80,000	1,550	2,000	1,775
Abo hlefa	Investment	Internal	40	42,500	55,000	1,063	1,375	1,219
Manqaf	Investment	Arabian Gulf	40	95,000	110,000	2,375	2,750	2,563
Manqaf	Investment	Prime	40	62,000	80,000	1,550	2,000	1,775
Fahaheel	Investment	Arabian Gulf	40	100,000	110,000	2,500	2,750	2,625
Fahaheel	Investment	Internal	40	40,000	55,000	1,000	1,375	1,188

It's worthy to mention 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.





KFH Local Real Estate Report

Terminology

Residential Buildings:

The typical buildings designated for a single family, located in low density population areas , 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 Buildings:

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

Private School Buildings:

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

Hotel and Motel Buildings:

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

Commercial Buildings:

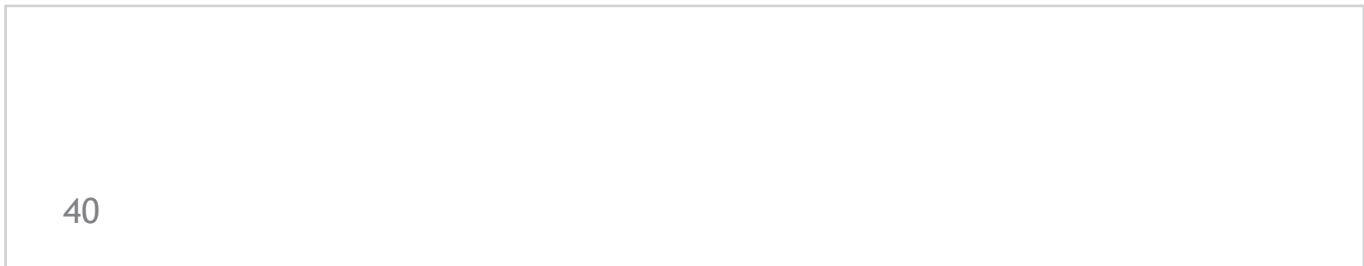
buildings where the basement, ground, and mezzanine floors are used as shops, which may be designed as a set of adjacent or separate shops with corridors at the commercial street, or as spacious areas. Multi storeys may be used as offices or for any other business activity.

Industrial Buildings:

buildings designated for industrial, warehousing, service, or craftsmanship purposes.

Residential Complexes Inside and Outside Kuwait City:

residential buildings 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:

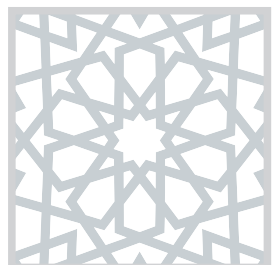
Buildings designated for the cultivation, care, show, and sale of flora and flowers of different types, care of gardens and agricultural products, inventory of seeds and agricultural needs, and office spaces.

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.

