



Kuwait Finance House “KFH”

Report On Local Real Estate Market Q3 Year 2017



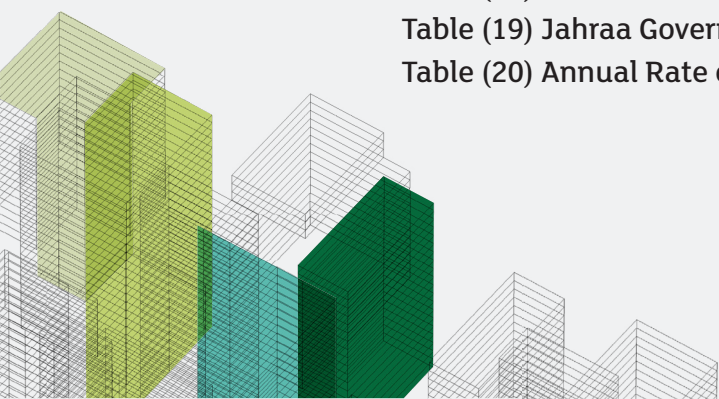


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Introduction

Real estate sector continued its activity during Q3 this year in regard to the increase in the number of annual transactions. However, it witnessed a decline for the first time in Q3 owing to the decline in the number of trading days during this quarter which has started with the end of Eid Al-Fitr Holidays and ended with the beginning of pilgrimage season and Eid Adha Holidays. On the other hand sales value declined in Q3 compared to the preceding quarter while this value is considered as much higher than the levels recorded for the same period last year.

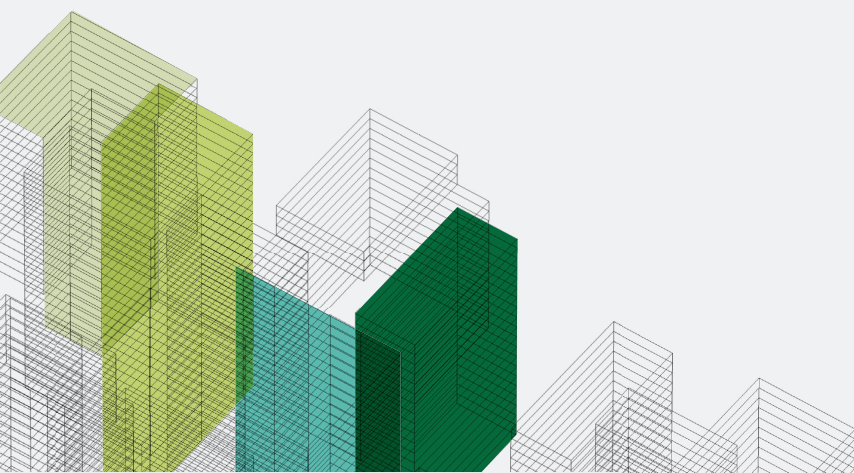
The number of traded transactions reached 1,160 transactions in Q3, thus witnessing the first decline during a year. The number of transactions declined by 24.3% on quarterly basis. Certain changes are noticed on the change ratios calculated on annual basis. Meanwhile the number of transactions recorded a significant annual increase by 29% compared to Q3 last year, thus enhancing the ascending trend of the change and growth ratios calculated on annual basis in the number of transactions. The value of transactions declined to reach KD 587 Million in Q3 i.e. 15.6% compared to the value in Q2 which had improved by 3.5% on quarterly basis. However, it is noticed that there is a significant increase in the value of transactions in Q3 by 35% on annual basis, thus continuing the ascending trend in the annual growth ratios.

The number of transactions in the private residential sector was below one thousand transactions during Q3 as prevailed at the end of 2015 and continued during 2016. The number of transactions reached 803 transactions in Q3 after reaching unprecedented levels in the preceding quarters in 2017. The number of transactions in this sector declined by 30.6% compared to Q2 but remained much higher by 34% compared to the same period last year. Accordingly, the value of transactions in residential sector declined by 30% compared to Q2 but still higher by 29% on annual basis.

The number of transactions in investment sector continued its descending trend to the lowest level, thus recording 263 transactions in Q3, i.e. a decline by 17% on quarterly basis and 2.6% on annual basis. Accordingly, the value of transactions in investment sector declined by 3% on quarterly basis while it increased on annual basis for the first time since 2014 by 9% in Q3.

Commercial sector is still witnessing a fluctuation in the number of transactions recorded as it increased to reach 20 transactions in Q3 i.e. an increase by 54 % compared to Q2. Also, it increase largely by 25% compared to Q3 last year. Meanwhile, the value of transactions declined in the commercial sector by 14.6% compared to Q2 while it is much higher by 44% compared to last year.

Oil prices have taken the ascending trend during Q3 as Brent oil reached US\$ 57.5 / Barrel as at the end of Q3 i.e. an increase by 20% compared to the end of Q2 which has recorded US\$ 47.9 / Barrel as per Thomson Reuters. Meanwhile, the inflation rate recoded 0.5% as at the end of Q3 compared to Q2 depending on the new basis (2013) approved recently by the Central Statistics Bureau in Kuwait. Inflation rate increased in most of the consumer price index components except the residential services component which has witnessed a decline by 1.8% as at the end of Q3 on annual basis in light of the availability of several residential units, continuation of available land and increase in the number of construction licenses to cope with the development plan and the government obligation to continue and maintain investment spending.



Average price per square meter declined slightly in the private residence sector at Kuwait level as at the end of Q3 by 1% compared to Q2 and still fluctuating. Average price per square meter reached more than KD 600 as at the end of Q3 this year while prices per square meter stabilized in the investment real estate sector in Q3 compared to the preceding quarter as it reached KD 1,560. Prices stabilized remarkably in the trading sector this year where average price per meter approximated KD 3,400 as at the end of Q3.

Prices in the residential sector have fluctuated on quarterly basis during Q3 compared to the relative stability witnessed during the preceding two quarters due to the decline in average price per meter in Q3 by less than 1% compared to Q2. However, this percentage is higher than the ratios which have prevailed last year when it reached 3.7% in Q1 and declined to 2% thereafter. This has contributed to the stability in the annual decline rate recorded by average price per meter in the residential sector as it stabilized at 8% compared to Q3 last year.

Average price per meter in investment sector declined slightly during Q3 compared to the preceding quarter which has recorded a relatively higher decline. Also, this ratio is much higher than the ratios recorded during the same period last year in which declines reached 1.5% and 2.5% in 3rd and 2nd quarters. On annual basis, improvement was noticed in the decline ratio of average price per square meter in this sector which has recorded in Q3 a ratio of 5% compared to a decline by 13% last year.

Meanwhile, average price per square meter stabilized in the commercial sector during the preceding quarters this year. Despite the decline in average price in Q3 by 1.8% on annual basis yet this decline ratio is less than the decline ratios which have prevailed last year, thus recording 5.4% in Q3 last year.

Credit facilities balances of both real estate and construction sectors, provided by local banks have exceeded KD 10 Billion as at the end of Q3 2017 as per the latest information issued, thus declining slightly by less than 0.5% compared to its size as at the end of Q2. This decline comes as a result of a decline by 2.7% of credit balances in the construction sector despite the slight increase in the credit balances granted to real estate sector which has exceeded KD 8 Billion by the end of Q3. On annual basis, credit balances granted to both real estate and construction sectors declined by 0.5% due to the decline in credit granted to construction sector by 5.9% while the credit granted to real estate sector increased by 1% compared to Q3 last year.

Instalment credit facilities exceeded KD 10.7 Billion as at the end of Q3 as per the latest information issued i.e. an increase by 2.4% compared to its volume as at the end of Q2 this year. Meanwhile it increased by 9% on annual basis. These facilities are granted to individuals who wish to build residential units in the private residence sector. Accordingly, credit facilities granted to real estate activity are still taking the ascending trend and recording approximately KD 20.8 Billion as at the end of Q3 i.e. an increase by 1% compared to Q2 and reaches 4.1% compared to Q3 last year. The said balances represent 58% of credit facilities granted to various economic sectors.

The number of real estate sector companies declined to reach 35 companies listed in Kuwait Boursa Company in Q3 compared to 36 companies in Q1 this year, which represents 19.4% of the number of listed companies which has declined to reach 180 companies in Q3 compared to a share which represented 19.1% of 183 companies in Q2. The sector dominated 24% of the traded shares in Q3, thus coming second after the financial services sector compared to 37% for the real estate sector i.e. first position as at the end of Q2. Deals on the shares of the real estate sector companies participate by KD 102 Million which renders the real estate sector in 5th position in Q3, thus representing 9.7% of the value of traded shares i.e. half the value of the sector sales which have reached more than KD 200 Million which represents 21% of the value of traded shares in Q2 i.e. 3rd position among sectors. The value of shares increased in 23 real estate companies while the value of shares declined in 11 real estate companies in Q3. The remaining company maintained its shares value during Q3.

Market Capital value of listed companies increased in Q3 to reach more than KD 30 Million i.e. an increase by 8.2% compared to KD 27.8 Billion in Q2. This was accompanied by a significant increase in the value of traded shares as at the end of Q3 to more than KD 1 billion i.e. an increase by 8.1% compared to KD 972 Million in Q2. Traded shares declined in Q3 to reach 5.7 Billion shares i.e. a decline by 39.7% compared to 9.4 Billion shares in Q2. The number of transactions declined to reach 212 Thousand transactions i.e. a decline by 6% compared to 226 Thousand in Q2 this year. Weighted index increased to reach 430 points in Q3 compared to less than 410 points in Q2 while price index stabilized at 6800 points in Q3 and Q2 this year.

First: Market Trends

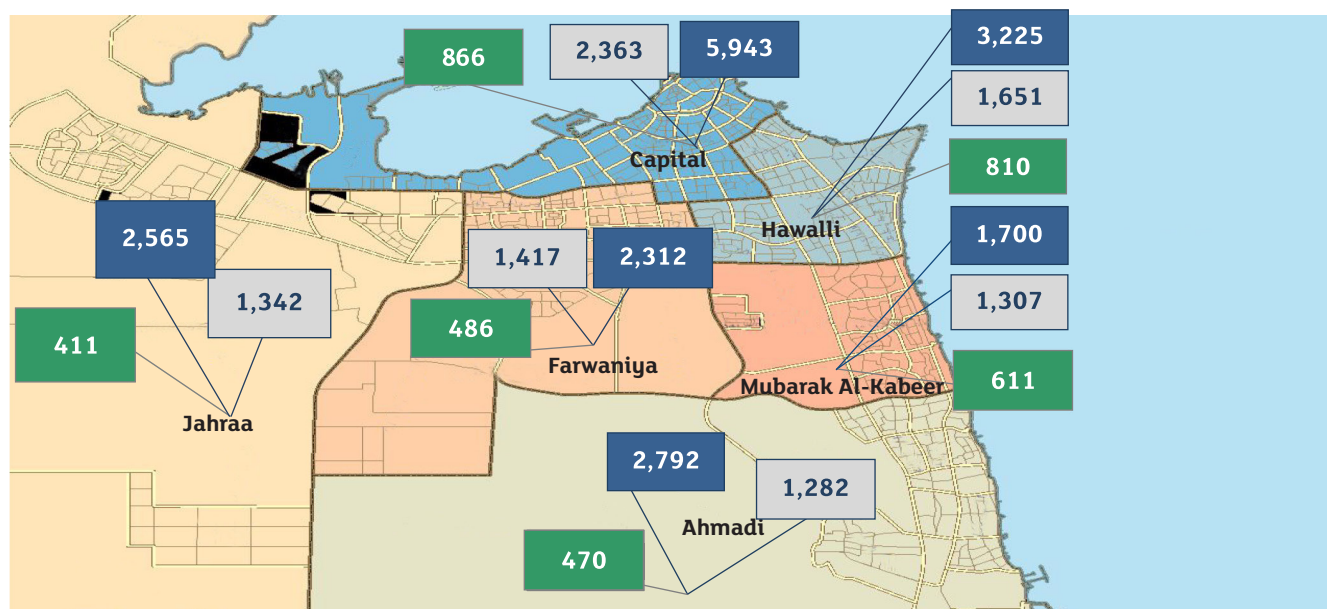
Land Prices in Q3 2017

Prices declined slightly in private residence sector during Q3 by not exceeding 1% compared to Q2 as shown in the surveys conducted by Kuwait Finance House. Investment sector prices declined slightly by less than 0.5% which is less than the decline ratios registered in preceding quarters. Meanwhile prices stabilized in the commercial sector compared to Q2.

Average price per square meter in capital governorate reached KD 866 in private residence sector as at the end of Q3 and reached KD 2,363 in investment sector. Average price per square meter in the commercial sector is still higher than these prices thus reached KD 5,943 as at the end of Q3. Price per square meter in Hawalli Governorate reached KD 810 in private residence sector, KD 1,651 in investment sector and KD 3,225 for commercial sector. Average Price per square meter in Farwaniya governorate reached KD 486 for private residence sector, KD 1,417 for investment sector and KD 2,312 for commercial sector. Average Price per square meter in Mubarak Al-Kabeer reached KD 611 for private residence sector, KD 1,307 for investment sector and KD 1,700 for commercial sector. Average Price per square meter in Jahraa reached KD 411 for private residence sector, KD 1,342 for investment sector and KD 2,565 for commercial sector. Average Price per square meter in Ahmadi reached KD 470 for private residence sector, KD 1,282 for investment sector and KD 2,792 for commercial sector.

Average Price Per Square Meter for Real Estate Sectors in All Governorates Q3 2017

Numbers in KD



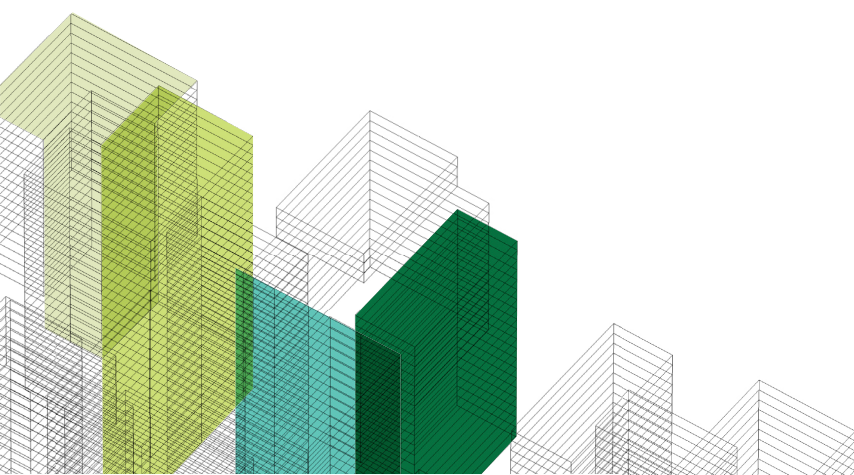
Commercial Lands



Investment Lands



Private Residence



Market Trends during Q3

Real estate sales value declined during Q3 2017 compared to Q2 where value increased slightly on quarterly basis. Accordingly, sales value has returned to its ascending trend. However, the said value this year is higher than the value last year. The number of transactions was increasing remarkably since Q3 last year till it witnessed its first decline in Q3 this year bearing in mind that the general trend of the number of transactions is taking the descending trend for some time.

The impact of private residence sector in real estate sector is clear now. Following the ascending trend which private residence sector took previously it has witnessed the first decline in Q3 this year. Real estate sales value in private residence sector declined at the end of Q3 compared to the preceding quarter. Average price per transaction in private residence improved compared to Q2. However, the general trend for this average price has taken the straight line path.

Sales value in investment real estate sector is witnessing relative stability for several quarters accompanied with a decline in the number of transactions in this sector in Q3 compared to Q2 this year and the decline in number compared to Q3 last year. It has recorded its lowest since 3 years despite the increase in Average transaction value during Q3 on quarterly basis in this sector and following a stability for four quarters which have continued till Q2 this year.

Real estate sales in commercial real estate sector declined in Q3 compared to Q2 which has witnessed a limited increase. The fluctuation of the value of sales in this sector still continues. The number of real estate transactions has increased in commercial sector in Q3 compared to Q2. Average transaction value in commercial sector is still fluctuating as it has declined in Q3 compared to Q2 which has witnessed a significant increase rendering this sector as the second highest level in four years.

**Figure (1) Total Real estate Trading Value
Q2, Q3 2017**

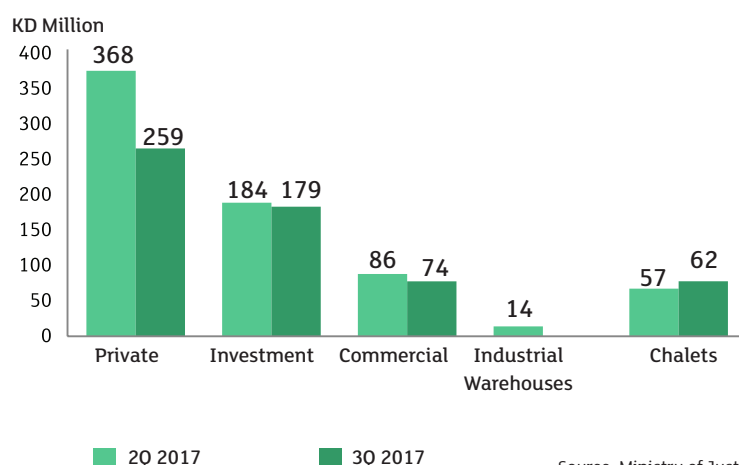
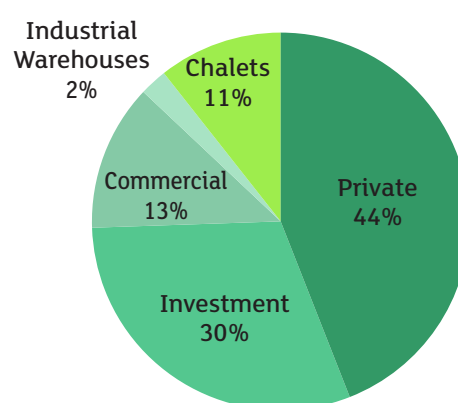


Figure (2) Distribution of Real estate Transactions Share(Sector wise)/ Total Real estate Transactions Value Q3 2017



Source: Ministry of Justice – Kuwait Finance House

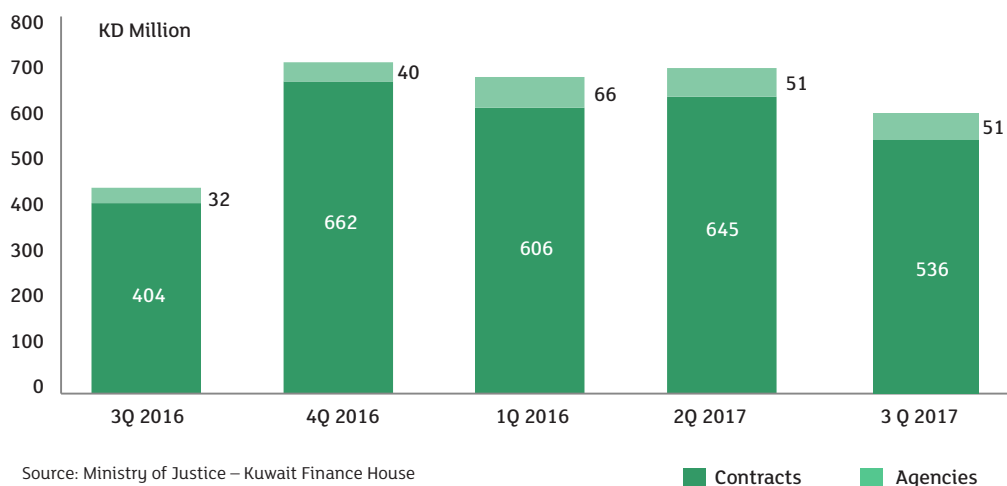
Real Estate Sales Trends During Q3

Real estate sales value reached KD 587 Million in Q3 as per the indicators of the Real estate Registration & Authentication Dept. – Ministry of Justice. Sales declined by 15.6% compared to Q2. This decline comes on the back of the decline in the value of sales in various real estate sectors. There is a clear fluctuation in the annual changes in the value of real estate sector sales. Sales have improved in Q2 by 3.5% on quarterly basis. Annual changes are taking the ascending trend due to the significant increase in the value of real estate sales by 35% compared to Q3 last year.

Private residence sector share reached 44% of the sector sales in Q3. Meanwhile, investment sector sales reached 30.5% of the real estate sales i.e. highest share contributed by investment sector since last year. Meanwhile, commercial sector represented 13% of the value of real estate sales in Q3 this year.

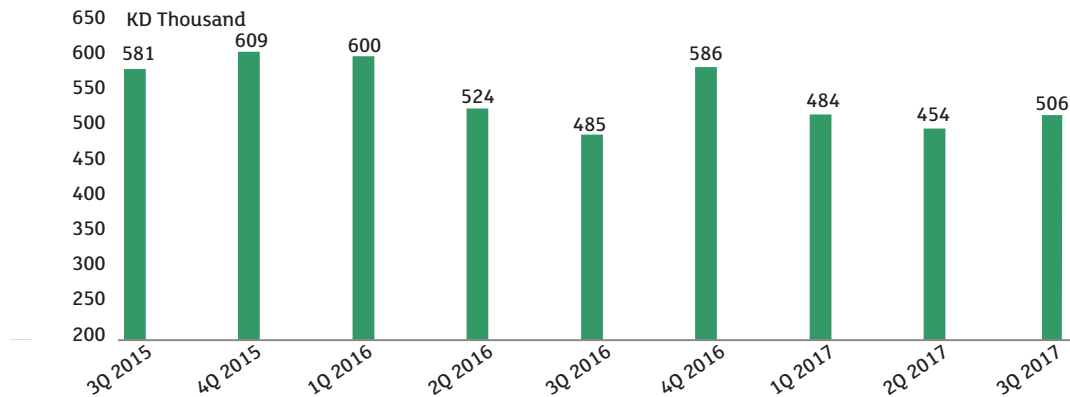
Real estate sales (contracts) approximated KD 536 Million in Q3 i.e. a decline by 17% compared to Q2 this year and higher by 33% compared to Q3 last year. Real estate sales (agencies) stabilized at KD 51 Million in Q3 i.e. less than 0.5% of its value in Q2. However, it has increased significantly on annual basis in Q3 by 59%.

Figure (3) Development on total real estate Slaes value Q3 2016- Q3 2017



Average real estate transaction value increased in Q3 this year to its highest, thus recording KD 506 Thousand i.e. an increase by 11.6% compared to Q2. Accordingly, average transaction value started taking the ascending trend. Meanwhile, average transaction value increased by 4% on annual basis while the number of transactions declined in Q3 to reach 1,160 transactions i.e. a decline by 24.3% on quarterly basis. Average transaction value increased significantly by 29% on annual basis, thus maintaining the ascending trend.

Figure (4) Development on Average Transaction value/ total real estate Sales Q3 2015- Q3 2017

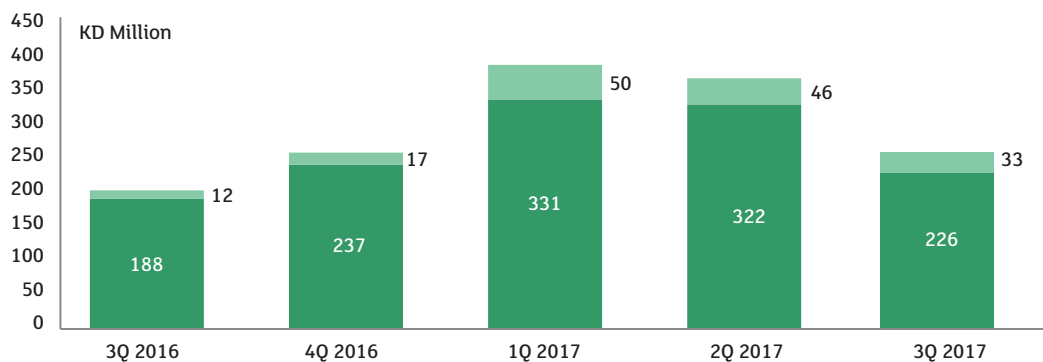


Source: Ministry of Justice – Kuwait Finance House

Private Residence Trends

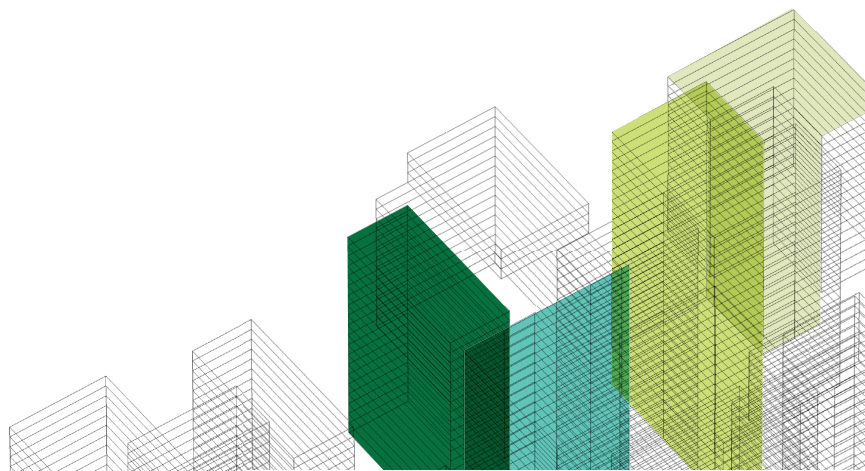
Private residence sales reached KD 259 Million in Q3 compared to KD 368 in Q2. Accordingly, sales value in this sector declined by 30% on quarterly basis. There is a clear fluctuation on quarterly basis recorded by residential sector sales. Meanwhile, the ascending trend of the sector on annual basis is continuing in Q3 with an increase by 29% on annual basis for the second quarter respectively.

Figure (5) Development on private residence real estate sales 2Q 2016- 3Q 2017



Source: Ministry of Justice – Kuwait Finance House

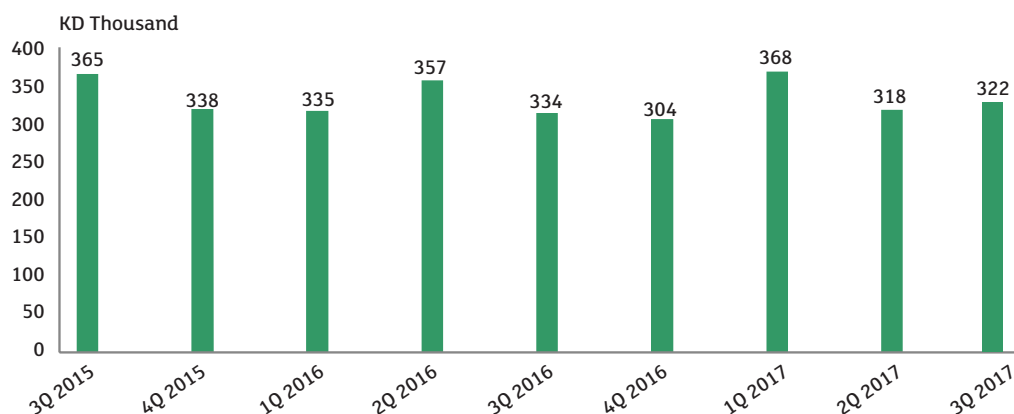
■ Contracts ■ Agencies



Average transaction value of private residence increased to reach KD 322 Thousand in Q3 this year i.e. an increase by 1% compared to Q2. However, this value has declined in Q3 by 3.6% on annual basis and still recording quarterly fluctuation ratios.

The number of transactions reached 803 transactions as at the end of Q3 for the private residence sector i.e. a decline by 31% compared to Q2, however, it has increased on annual basis by 34%.

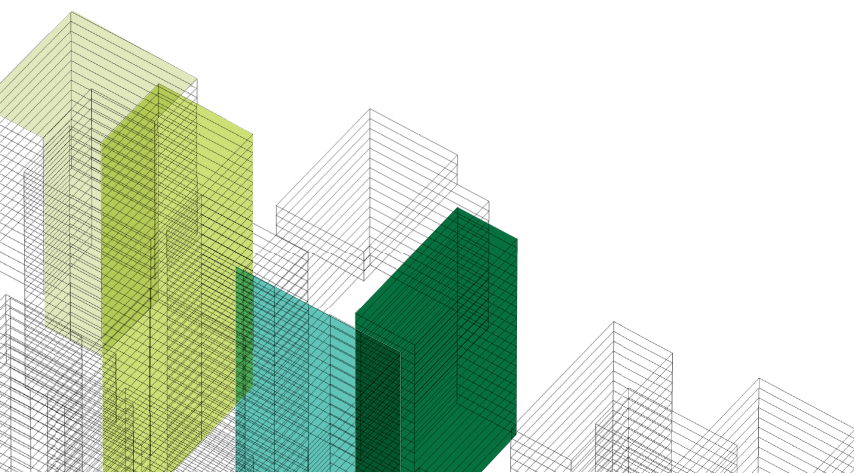
**Figure (6) Progress on average transaction value/
Private residence transactions Q3 2015- Q3 2017**



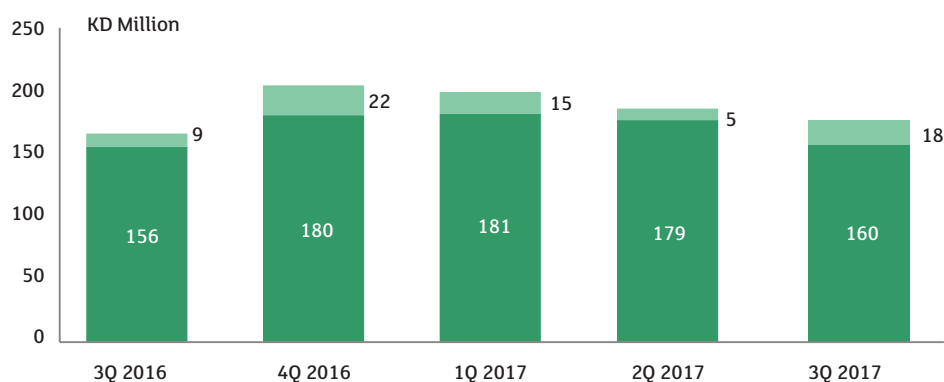
Source: Ministry of Justice – Kuwait Finance House

Investment Real Estate Trends

Investment real estate sales value approximated KD 179 Million in Q3 this year and still descending since reaching its peak in 2014. There is clear fluctuation of quarterly changes of investment sector sales as they declined by 3% compared to Q2 which has witnessed a double decline on quarterly basis. Annual changes continue its improving towards ascending trend after recording the first annual increase witnessed in 3 years by 9% in Q3.



**Figure (7) Progress on Investment Real estate
Transactions Value 3Q 2016 - 3Q 2017**

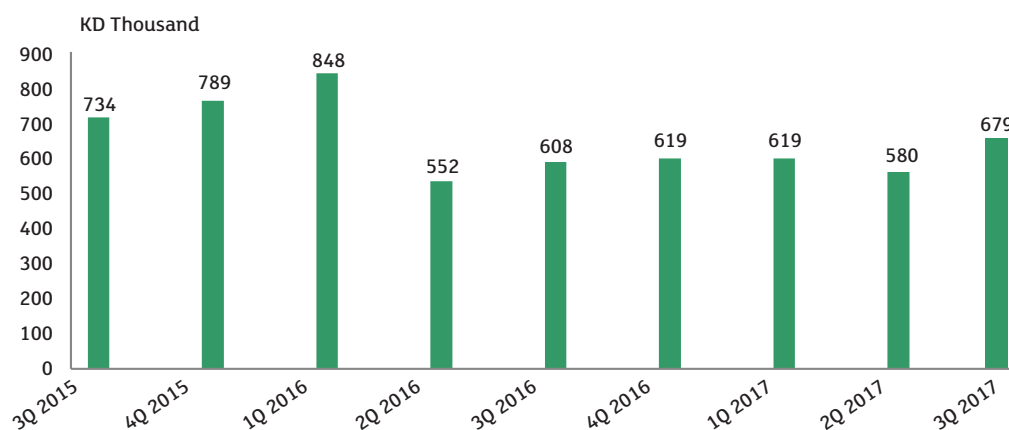


Source: Ministry of Justice – Kuwait Finance House

Contracts Agencies

Investment real estate average transaction value increased to reach KD 679 Thousand in Q3 compared to KD 580 Thousand in Q2 i.e. an increase by 17% on quarterly basis and 12% on annual basis. Meanwhile the number of investment real estate transactions declined to reach 263 transactions in Q2 i.e. a decline by 17.3% compared to Q2. The number of transactions in this sector declined by 2.6% on annual basis.

**Figure (8) Progress on Average Transaction Value/
Investment Real estate Sale Value 3Q 2015 - 3Q 2017**

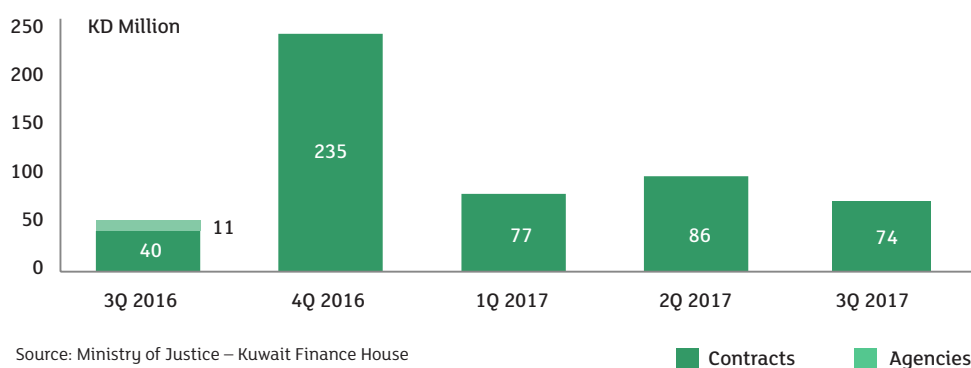


Source: Ministry of Justice – Kuwait Finance House

Commercial Real Estate Trends

Commercial real estate sales value reached KD 74 Million in Q3 compared to KD 86 Million in Q2. It is noticed that change ratios of commercial sector sales are fluctuating on quarterly basis just like other real estate sectors. Commercial sector sales value decreased by 14.6% compared to Q2. However, the value is considered as much higher by 44% on annual basis.

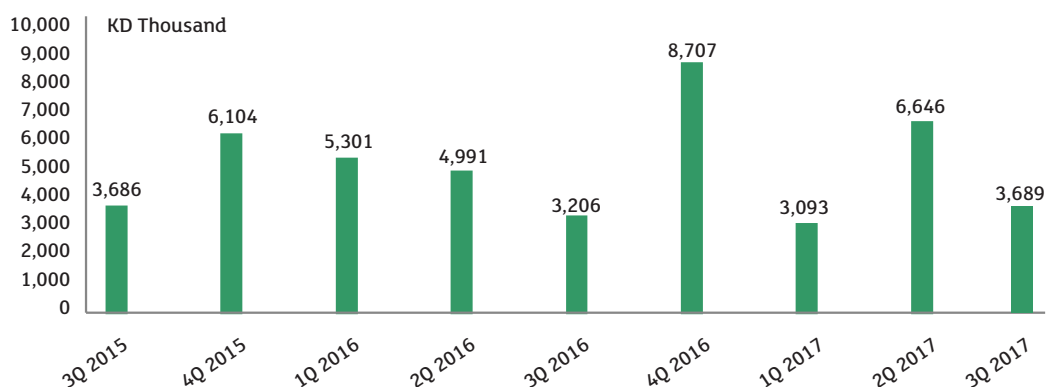
**Figure (9) Progress on Commercial Real estate
Transaction Value 3Q 2016 - 3Q 2017**



Average transaction value in commercial real estate sector reached KD 3.7 Million in Q3 compared to more than KD 6.6 Million in Q2 which has witnessed the second highest ratio for this indicator in more than 5 years. This indicates that average transaction value is still fluctuating as it declined significantly by 44% compared to Q2. However, the average transaction value is higher by 15% on annual basis.

Commercial sector transactions increased to reach 20 transactions as at the end of Q3 2017 i.e. a significant increase by 54% on quarterly basis. The number of commercial sector transactions increased by 25% compared to Q3 2016.

**Figure (10) Progress on Average Transaction Value /
Commercial Real Estate Transactions
3Q 2015- 3Q 2017**



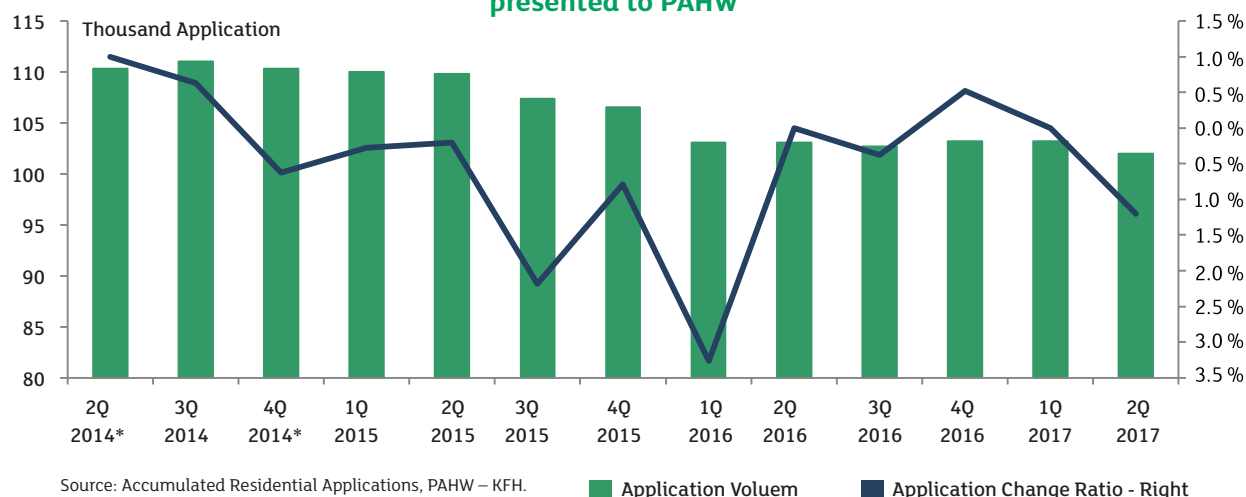
Second: Residential Projects

The Public Authority for Housing Welfare adopted several projects to be executed in the new cities according to the approved time schedule of the ninth 5 year plan 2015/2016 – 2019/2020 made by the authority. The State of Kuwait aims, through projects executed by the authority, to execute more than 36 thousand residential units till 2017 as per highly strict technical conditions implemented by the authority to execute the new residential cities projects. The said number of residential projects shall fulfill part of the accumulating residential applications volume.

PAHW has succeed in declining the number of residential applications as per the latest report issued by PAHW in November this year. The authority was able to minimize the number of residential applications to reach less than 102 thousands i.e. 1.2% compared to the beginning of the year. Kuwait is still continuing its plan to provide and distribute residential units and lots to citizens. PAHW has succeeded in distributing more than 600 units in September through two distributions (8 & 9). PAHW has announced the two distributions to entitled citizens within the distribution plan 2017/2018 covering 4,740 residential units in Southern Mutlaa.

The authority has managed to distribute 1,182 units in April at the 3rd district of South Mutlaa Project in addition to 850 units in the same district in May. When the distributions 1-7 have been made. During the third quarter this year, PAHW has announced the distribution of several residential units and 400 M2 plots as per the distribution table for the financial year 2017/2018 in South Mutlaa project. The authority plans to distribute the remaining units in district 2 of the project during the coming periods.

Figure (11) Progress on residential applications presented to PAHW



According to the time schedule approved by PAHW for the ninth 5 year plan, the authority has announced the execution of Sabriya city project at the northern side of the country. The project comprises more than 52 thousand residential units. The authority announced also several projects which are still under section in six new residential cities including Sabah Al-Ahmed city project which comprises 11,800 residential units, Jaber Al-Ahmed project which comprises 6,700 units, Southern north of Sulaibikhat project which comprises more than 1,700 residential units. Wafra project which shall provide 370 plots, Wafra expansion project, and West Abdullah Al-Mubarak project which shall provide more than 5,200 plots.

There are 4 projects which are still under planning and designing pending announcement in several residential cities including South Mutlaa project which comprises 30 Thousand residential units, South Saad Al-Abdullah residential project which comprises 25 thousand units, Khairan project which is expected to provide more than 35.5 thousand units and south Sabah Al-Ahmed Marine City project which provides 25 thousand units.

The authority is expected to execute 13 projects in several cities including projects in Naseem, Qiarawan, Khairan and Abu-Halifa city. The projects include all necessary technical and economic studies, roads and cable construction projects, general parks and other service buildings. The authority is planning to execute low cost residential units which comprises 9,700 units which are still under planning, follow up and approval of designs.

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

Table (1): List of PAHW Projects 2016

#	Area	Contract Value
1	Sabah Al Ahmad City	18.9
2	Northwest Sulaibkhat City	38.1
3	Expansion of Wafra Residential Project	28.5
4	Abu-Halifa Residential Project	2.2
5	Abdullah Al-Mubarak West Project	46
Cost		KD 133.8 Million

Projects for Public Buildings

#	Area	Contract Value
6	Sabah Al Ahmad City	38.5
7	Sabah Al Ahmad City	6.2
8	Sabah Al Ahmad City	44.7
9	Sabah Al Ahmad City	36.4
10	Wafra Project	21.1
11	Qairawan Project	4.5
Cost		KD 151.5 Million

Projects for Roads & Main Services

#	Area	Contract Value
12	Sabah Al Ahmad City	6.6
13	Sabah Al Ahmed City	2.29
14	Saad Al Abdullah City	1.46
15	Sabah Al Ahmed City	1.4
16	Sabah Al Ahmed City	0.669
17	Sabah Al Ahmed City	2.7
18	Expansion of Wafra Residential Project	46.6
19	Naseem Residential Project	1.6
20	Qairawan Residential Project	0.797
21	Sabah Al Ahmed City	2.8
22	Sabah Al Ahmed City	2.6
23	Sabah Al Ahmed City	0.979
24	Jaber Al Ahmed City	1.08
25	Northwest Sulaibikhat	0.322
26	South Mutlaa	288
27	Sabah Al Ahmed City	1.489
Cost		KD 359.2
Total Cost of PAHW Projects		KD 644.5

Source: List of Projects of the Public Authority for Housing Welfare (PAHW) – Oct. 2016 (www.housing.gov.kw)

Third: Price Indicators

First: Private Residence Land Prices

Prices of residential land and real estates differ according to the characteristics of each type of various real estates including location and other advantages in various Kuwait areas and governorates. Average price per square meter reached KD 609 for private residence land at governorates level i.e. a decline not exceeding 1% compared to Q2. This ratio was the lowest decline ratio at all governorates level during last year. Prices have recorded a decline in Q3 by 8% on annual basis.

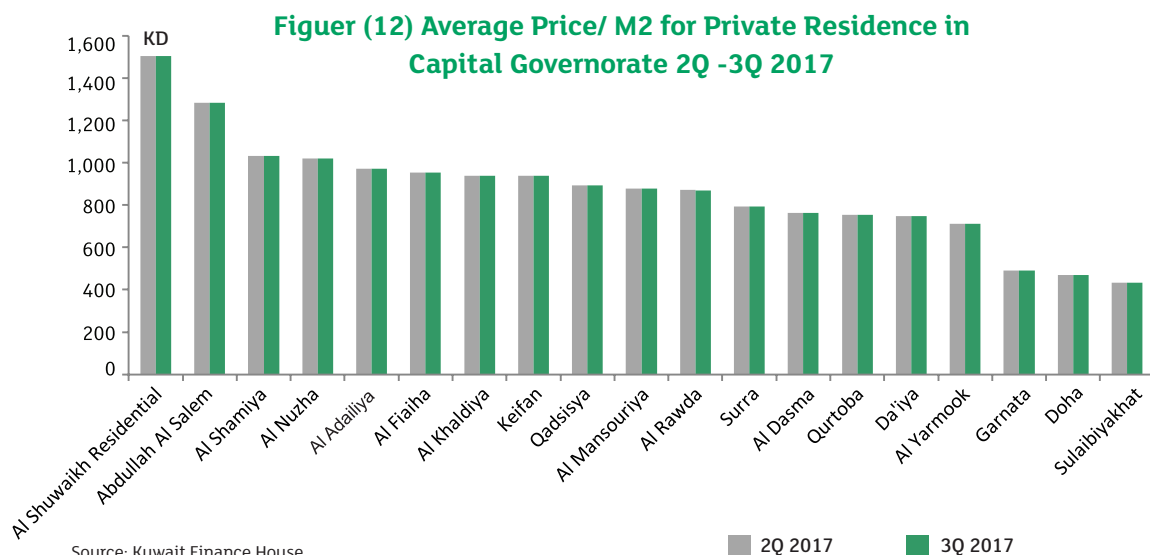
Prices in Governorate capital have stabilized on quarterly basis. However, prices in other governorates are still recording limited declines on quarterly basis. Farwaniya governorate came first which has recorded the lowest decline ratio by less than 0.5% followed by Mubarak Al-Kabeer governorate. Ahmadi governorate recorded a decline by 5.6% compared to Q2. Price levels in Q3 this year are less than price levels than Q3 last year. Annual decline ratios recorded by most governorates have improved. Prices declines in Ahmadi governorate were the lowest as they recorded 5.2% on annual basis while Farwaniya governorate recorded a higher decline by 14.1%.

Capital Governorate

Average price per square meter in private residence sector at Capital governorate recorded KD 866 in Quarters 3 & 2 while average price per square meter declined by 7.2% in Q3 this year compared to the same period last year. Prices stabilized in most of the capital governorate areas. Shuwaikh residential area is the highest price area in the governorate where average price per square meter exceeds KD 1,500 in Q3. Prices stabilized also in Abdullah Al-Salem district at less than KD 1,300/- . Prices reached more than KD 1,000 per square meter in Shamiya and Nuzha in Q3.

Average price per square meter stabilized in areas where it ranged between KD 800 – 900 namely Khaldiya, Edailiya and Faihaa. Prices stabilized also in Keefan, Mansouriya and Qadisya. Prices declined slightly in Rawda area by less than 0.5% compared to Q2 this year.

Prices stabilized in areas where price per meter reached KD 700 – 800 namely Dasma, Qurtuba, Da'eya and Yarmouk. Average price per meter stabilized in the lowest price areas in Q3 at KD 500 e.g. existing houses in Doha and Gharnata area. Sulaibikhat area recorded the lowest average price at the capital governorate level.



Residential Plot Prices at Capital Governorate

Region	Area m ²	Building %	Street	Land Market Value (KD)		Market Value / m ² (KD)		Average Price / m ² Q3 2017
				From	To	From	To	
Al Shuwaikh Residential	500	210%	Internal	700,000	800,000	1,400	1,600	1,500
	1,000	210%	Internal	1,200,000	1,400,000	1,200	1,400	1,300
	1,000	210%	Main	1,400,000	1,650,000	1,400	1,650	1,525
General Average in the Area				1,225,000	1,412,500	1,400	1,613	1,506
Abdullah Al Salem District	500	210 %	Internal	620,000	700,000	1,240	1,400	1,320
	750	210 %	Internal	750,000	950,000	1,000	1,267	1,133
	1,000	210 %	Internal	900,000	1,200,000	900	1,200	1,050
General Average in the Area				995,000	1,150,000	1,193	1,378	1,285
Shamiyah	250	Till 800 m	Internal	260,000	320,000	1,040	1,280	1,160
	750	210 %	Internal	620,000	750,000	827	1,000	913
	500	210 %	Main	520,000	600,000	1,040	1,200	1,120
General Average in the Area				611,429	762,857	924	1,141	1,032
Al Nuzha	500	210 %	Internal	425,000	520,000	850	1,040	945
	500	210 %	Main	510,000	600,000	1,020	1,200	1,110
	750	210 %	Internal	610,000	750,000	813	1,000	907
General Average in the Area				635,000	794,000	911	1,128	1,020
Al Khaldiya	750	210 %	Internal	600,000	750,000	800	1,000	900
	750	210 %	Main	720,000	900,000	960	1,200	1,080
	1,000	210 %	Internal-Main	710,000	940,000	710	940	825
General Average in the Area				732,500	897,500	843	1,035	939
Al Adailiya	500	210 %	Internal	420,000	520,000	840	1,040	940
	750	210 %	Main	720,000	850,000	960	1,133	1,047
	1,000	210 %	Damascus	950,000	1,100,000	950	1,100	1,025
General Average in the Area				718,750	851,250	889	1,054	971

Source: Kuwait Finance House

Hawalli Governorate

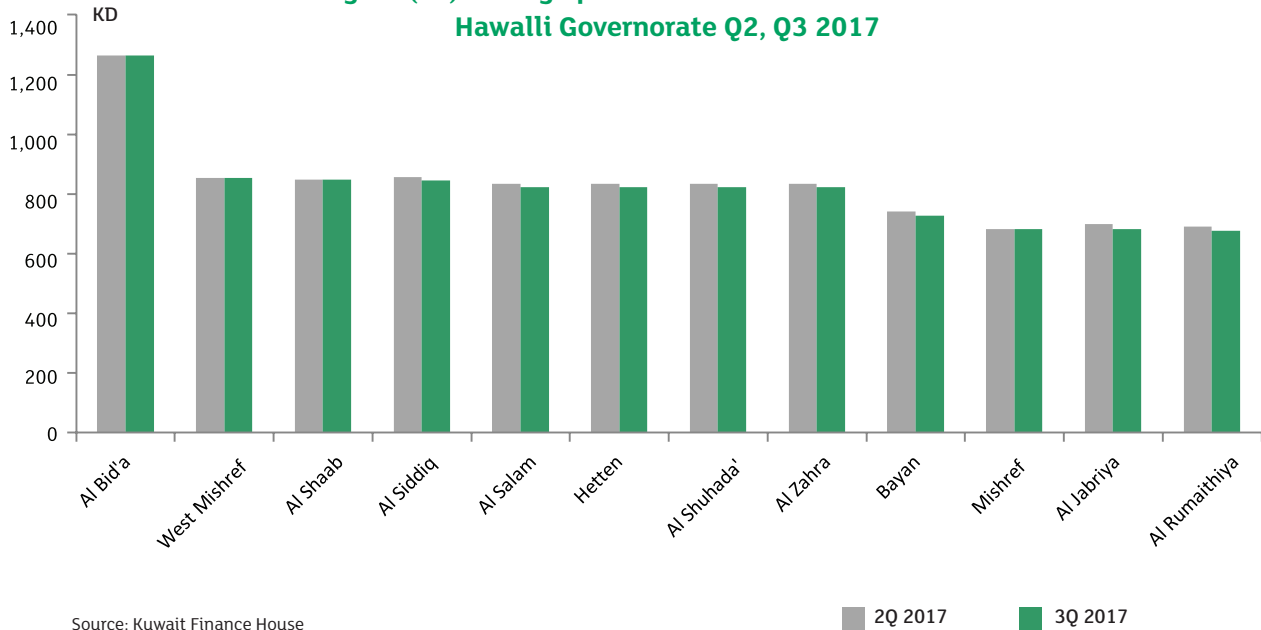
Average price per square meter in Hawalli Governorate reached KD 810 in Q3. Prices are witnessing relative stability and a general ascending trend on the short run of the price change ratio on quarterly basis at the governorate. The governorate recorded a decline in prices by 1.1% in Q3 on quarterly basis, while annual decline ratio improved after recording 5.8% in Q3 compared 9% in Q2.

Average price per square meter stabilized in certain governorate areas while it is still recording certain declines in certain other areas in Q3. Beda area recorded the highest price level at the governorate level as prices stabilized at the average exceeding KD 1,200 in Q3 and Q2. Prices stabilized in West Mishrif and Shaab areas at KD 850 in Q3. Prices were slightly less than this in Siddique area which has witnessed a decline in average price per meter by 1.5% compared to Q2.

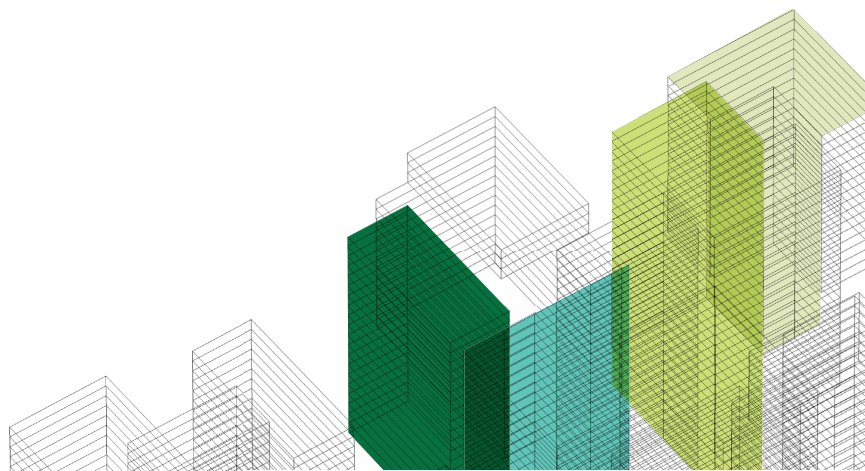
Average price per square meter declined in areas where price per meter ranged between KD 800 – 850 e.g. Salam, Hitteen, Shuhadaa and Zahraa witnessed a decline by 1.5% compared to price levels in Q2. Meanwhile, average price per square meter was less than these levels as it reached KD 700 accompanied by a higher decline by 2.1% in Q3.

Prices stabilized in Q3 and Q2 in average value areas where price per meter ranged between KD 650 – Less than KD 700, including Mishrif area. Average price per meter declined in Jabriya area by 2.3% compared to Q2 and in Rumaithiya area by 1.9% while prices declined at a higher ratio in Salwa area by 2.4%. Accordingly, Salwa is considered as the lowest price area in Hawalli governorate.

Figure (13) Average price/ M2 for Private Residence at Hawalli Governorate Q2, Q3 2017



Source: Kuwait Finance House



Residential Plot Prices at Hawalli Governorate

Region	Area m ²	Building %	Street	Land Market Value (KD)		Market Value / m ² (KD)		Average Price / m ² Q3 2017
				From	To	From	To	
Shaab	400	210 %	Internal	320,000	380,000	800	950	875
	400	210 %	Main	380,000	420,000	950	1,050	1,000
	500	210 %	Internal	350,000	400,000	700	800	750
General Average in the Area				421,667	496,667	782	916	849
Jabriya	400	210 %	Internal	260,000	320,000	650	800	725
	400	210 %	Main	320,000	340,000	800	850	825
	500	210 %	Internal	290,000	350,000	580	700	640
General Average in the Area				400,000	478,889	624	741	682
Rumaithiya	400	210 %	Internal	240,000	300,000	600	750	675
	400	210 %	Main	290,000	350,000	725	875	800
	750	210 %	Internal	330,000	430,000	440	573	507
General Average in the Area				408,889	487,778	613	742	677
Salwa	500	210 %	Internal	270,000	330,000	540	660	600
	750	210 %	Internal	320,000	430,000	427	573	500
	1,000	210 %	Aqsaa	690,000	800,000	690	800	745
	1,000	210 %	Taawon	800,000	850,000	800	850	825
General Average in the Area				474,286	562,857	594	712	653
Salaam	400	210 %	Internal	295,000	350,000	738	875	806
	400	210 %	Main	340,000	400,000	850	1,000	925
	500	210 %	Internal	320,000	390,000	640	780	710
	500	210 %	Main	400,000	450,000	800	900	850
General Average in the Area				338,750	397,500	757	889	823
Hitteen	400	210 %	Internal	295,000	350,000	738	875	806
	400	210 %	Main	340,000	400,000	850	1,000	925
	500	210 %	Internal	320,000	390,000	640	780	710
	500	210 %	Main	400,000	450,000	800	900	850
General Average in the Area				338,750	397,500	757	889	823
Shuhadaa	400	210 %	Internal	295,000	350,000	738	875	806
	400	210 %	Main	340,000	400,000	850	1,000	925
	500	210 %	Internal	320,000	390,000	640	780	710
	500	210 %	Main	400,000	450,000	800	900	850
General Average in the Area				338,750	397,500	757	889	823

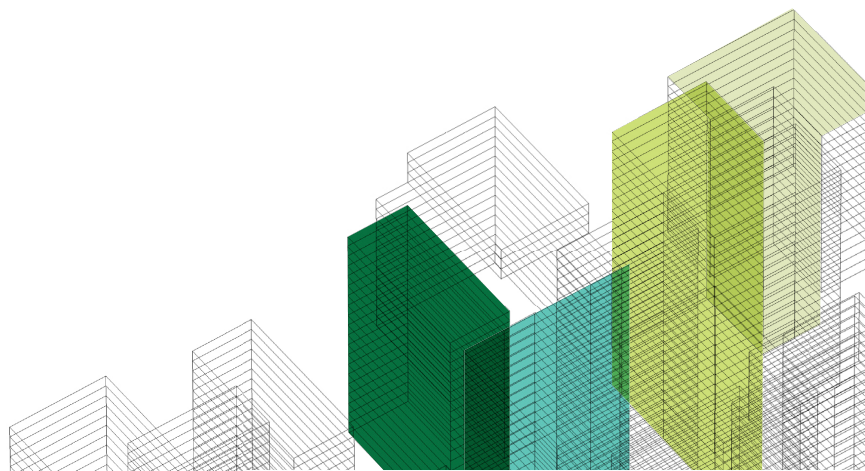
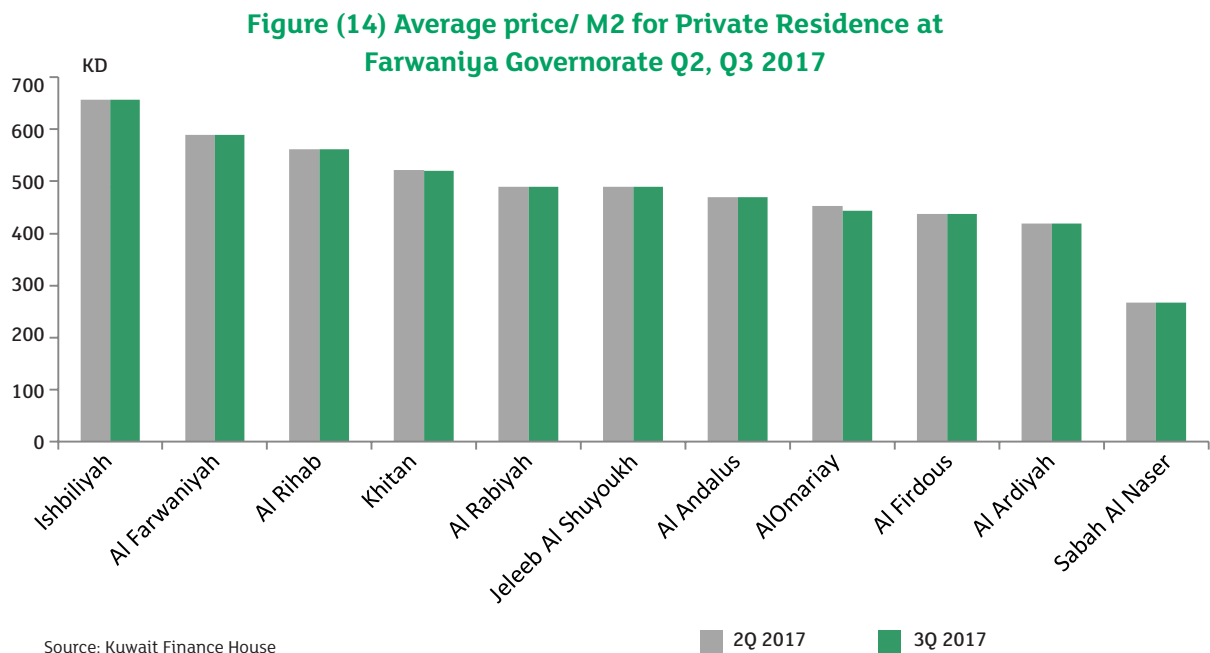
Source: Kuwait Finance House

Farwaniya Governorate

Average price per square meter reached KD 486 in Farwania governorate as at the end of Q3 this year, i.e. a slight decline by less than 0.2% compared to Q2. This decline is the lowest decline among governorates in Q3. Accordingly, the price decline ratio recorded in the governorate has improved while prices in the governorate have declined on annual basis. An improvement is also noticed in these ratios as the decline in prices has reached 14.1% compared to a greater decline recorded in the first and second quarters of the year.

Prices have stabilized also in most of Farwaniya governorate areas e.g. Ashbiliya area compared to Q2. The said area is considered as the highest price area at the governorate level where average price per meter reached more than KD 650/- M2. Prices have stabilized also Farwaniya area at a slight less than KD 600/-M2, and in Rihab area as it recorded more than KD 550/- in Q3 & Q2. Next comes Khaitan area which has recorded a stability in Q3 as well. Prices in areas that comes in the middle price levels in the governorate ranged between KD 450 – KD 500. Rabiya area comes first with the highest price among all these areas in Q3 followed by Jaleeb Al-Shoyoukh and Andalus which have both recorded stability in prices at the end of Q3.

Prices in areas that comes in the lowest price level ranged between KD 400 – KD 450 including Omariya area which is considered as the highest price area in this level. it is the only exception among governorate areas thus prices have declined at the end of Q3 by 2% compared to prices in Q2. Meanwhile, prices stabilized in Fardoas and Ardiya areas as well. Prices have also stabilized also in Sabah Al-Naser area in Q3, thus recording the lowest price among the governorate areas where average price per meter reached KD 260/-



Residential Plot Prices at Farwaniya Governorate

Region	Area m ²	Building %	Street	Land Market Value (KD)		Market Value / m ² (KD)		Average Price / m ² Q3 2017
				From	To	From	To	
Andalus	500	210 %	Internal	200,000	250,000	400	500	450
	750	210 %	Main	330,000	350,000	440	467	453
General Average in the Area				284,000	322,000	439	500	469
Rabia (Existing House)	500	210 %	Internal	210,000	250,000	420	500	460
	500	210 %	Main	240,000	280,000	480	560	520
General Average in the Area				202,500	240,000	315	373	490
Ashbilya	375	210 %	Internal	210,000	250,000	560	667	613
	400	210 %	Main	270,000	320,000	675	800	738
	500	210 %	Internal	260,000	320,000	520	640	580
General Average in the Area				255,000	301,667	603	713	658
Farwaniya	500	210 %	Internal	240,000	300,000	480	600	540
	500	210 %	Main	290,000	350,000	580	700	640
General Average in the Area				265,000	325,000	530	650	590
Khaitan	400	210 %	Internal	190,000	250,000	475	625	550
	1000	210 %	Main	490,000	590,000	490	590	540
General Average in the Area				360,000	420,000	480	560	520
Jaleeb Al Shuyoukh	500	210 %	Main	200,000	240,000	400	480	440
General Average in the Area				240,000	300,000	480	600	540
Ardiya	750	210 %	Internal	220,000	270,000	440	540	490
	750	210 %	Main	250,000	320,000	333	427	380
General Average in the Area				320,000	370,000	427	493	460

Source: Kuwait Finance House

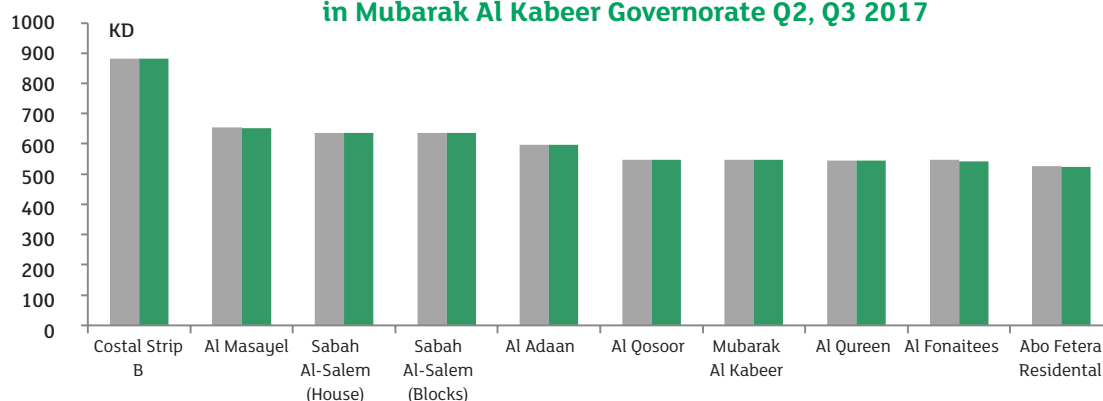
Mubarak Al Kabeer Governorate

Average price per square meter at Mubarak Al-Kabeer governorate reached KD 611 in Q3 i.e. a slight decline does not exceed 0.5% compared to Q2. Prices were remarkably stable in most of the governorate areas. On annual basis, prices declined by 8.1% as at the end of Q3 compared to a slightly bigger decline by 9.1% in Q2. This decline is much higher than the decline in price per meter which has recorded 1% in Q3 2016. It also exceeds the ratios recorded during periodical quarterly basis last year.

Average price per meter stabilized in most of the governorate areas. In the highest price areas e.g. coast strip areas (B) average price per meter stabilized at KD 880/-. Meanwhile, prices declined in Masayel area to reach KD 650/- i.e. a decline by 0.5%. Average price per meter is considered as the second highest price among governorate areas. Prices stabilized in Sabah Al-Salem area – existing government houses and residential plots as well where prices reached KD 640 per square meter as at the end of Q3.

Prices stabilized in Addan area at their lowest KD 600 / M2. Prices stabilized also in Qosour area and Mubarak Al-Kabeer area to record an average price which is slightly less than KD 550 in Q3. Price per square meter is relatively less in Qurain area. In the lowest price area in the governorate, Funaitees area came next as it recorded a decline by 1% compared to Q2 and exceeding an average price of KD 540 / M2. Next comes Abu-Fatira residential area which has recorded a decline by less than 1% in Q3 on quarterly basis.

**Figure (15) Average price meter for the Private Residence
in Mubarak Al Kabeer Governorate Q2, Q3 2017**



Source: Kuwait Finance House

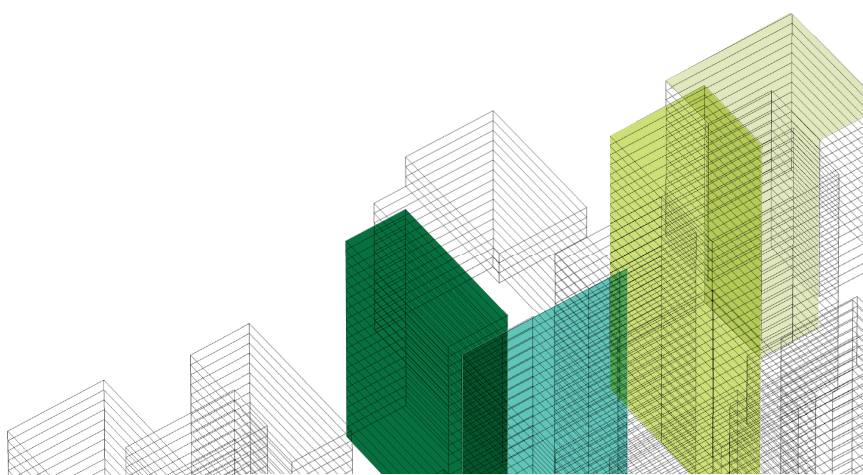
■ 2Q 2017

■ 3Q 2017

Residential Plot Prices at Mubarak Al Kabeer Governorate

Region	Area m ²	Building %	Street	Land Market Value (KD)		Market Value / m ² (KD)		Average price / m ² Q3 2017
				From	To	From	To	
Masayel	400	210 %	Internal	230,000	280,000	575	700	638
	400	210 %	Main	270,000	325,000	675	813	744
General Average in the Area				267,500	316,250	598	708	653
Coast Strip B	1,000	150 %	Internal	450,000	600,000	450	600	525
	1,000	150 %	Fahaheel	750,000	800,000	750	800	775
General Average in the Area				1,233,333	1,433,333	817	950	883
Abu Fatira Residential	400	210 %	Internal	185,000	215,000	463	538	500
	400	210 %	Main	215,000	260,000	538	650	594
General Average in the Area				212,500	256,250	475	572	523
Funaitees	400	210 %	Main	190,000	225,000	475	563	519
	500	210 %	Internal	210,000	260,000	420	520	470
General Average in the Area				220,000	266,250	492	594	543
	400	210 %	Internal	210,000	250,000	525	625	575
Addan	400	210 %	Main	250,000	270,000	625	675	650
General Average in the Area				223,750	255,000	559	638	598

Source: Kuwait Finance House



Ahmadi Governorate

Average price per square meter in Ahmadi governorate reached KD 470 in Q3 2017, thus recording a slight decline not exceeding half percent (0.4%) compared to Q2. Prices stabilized in most of the governorate areas during Q3 and Q2. On annual basis, the decline ratio in price per meter improved significantly, thus recording 5.2% in Q3 compared to more than double this decline in the same period 2016 where average price declined by 12%.

Average price per square meter stabilized in most of the governorate areas except some areas which have recorded a decline compared to Q2. Average price per square meter stabilized during Q3 & Q2 in the highest price areas which have recorded more than KD 1,200 e.g. south coastal strip area. Average price per square meter approximated KD 800 in the same area e.g. main southern areas while price per meter has declined by 1.7% compared to Q2. Prices stabilized in Fahad Al-Ahmad area to reach more than KD 600 per square meter during Q3.

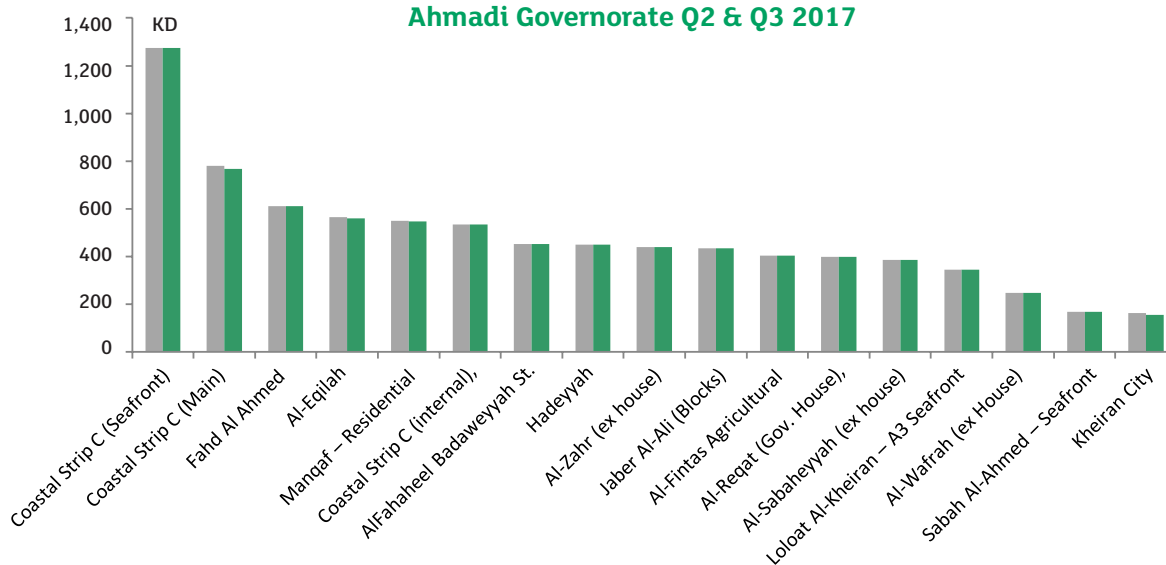
Price per square meter declined variably in the governorate areas as it approximated KD 550 in areas like Eqaila and residential Mangaf where prices declined by 1% compared to Q2. Meanwhile, prices stabilized in the coastal strip southern internal area.

Prices stabilized in average price areas in which average price per meter recorded KD 450 e.g. certain places of Fahaheel area as well as Hadiya, Dhaher, and existing houses in Jaber Al-Ali area where average price per square meter reached little more than this.

Price levels stabilized in the lowest price area e.g. Fintas agricultural area and Riqqa where average price per square meter exceeded KD 400. Average price stabilized also in several areas e.g. Sabahiya area compared to Q3 and stabilized at Khiran Pearl area at less than KD 350/-.

Prices stabilized in the lowest price area of the governorate e.g. Wafra area at KD 350/- , Sabah Al-Ahmed Marine Area and Khiran residential area at an average exceeding KD 150/- in Q3 & Q2.

Figure (16) Average Price / m² for Private Residence at Ahmadi Governorate Q2 & Q3 2017



Source: Kuwait Finance House

■ Q2 2017

■ Q3 2017

Residential Plot Prices at Ahmadi Governorate

Region	Area m ²	Building %	Street	Land Market Value (KD)		Market Value / m ² (KD)		Average Price / m ² Q3 2017
				From	To	From	To	
Fintas Agricultural	210 %	1,000	Internal	320,000	400,000	320	400	360
	210 %	1,000	Main	400,000	500,000	400	500	450
Hadiya	210 %	750	Internal	270,000	340,000	360	453	407
	210 %	750	Main	340,000	400,000	453	533	493
Aqaila	210 %	400	Main	220,000	270,000	550	675	613
	210 %	500	Main	270,000	315,000	540	630	585
Coast Strip (S) Overlooking Sea	150 %	2,000	Marine	2,400,000	2,700,000	1,200	1,350	1,275
Coast Strip (S) Overlooking Internal Road	150 %	750	Internal	350,000	450,000	467	600	533
Khairan Residential	210 %	400	Internal	50,000	75,000	125	188	156
Sabah Al Ahmad Marine A1 Overlooking Sea	210 %	1,200	Marine	200,000	230,000	167	192	179
Sabah Al Ahmad Marine A2 Overlooking Sea	210 %	450	Marine	145,000	165,000	322	367	344
Khiran Pearl Overlooking Sea A3	210 %	450	Marine	145,000	165,000	322	367	344
Mangaf Residential	210 %	375	Internal	160,000	200,000	427	533	480
	210 %	400	Main	215,000	250,000	538	625	581

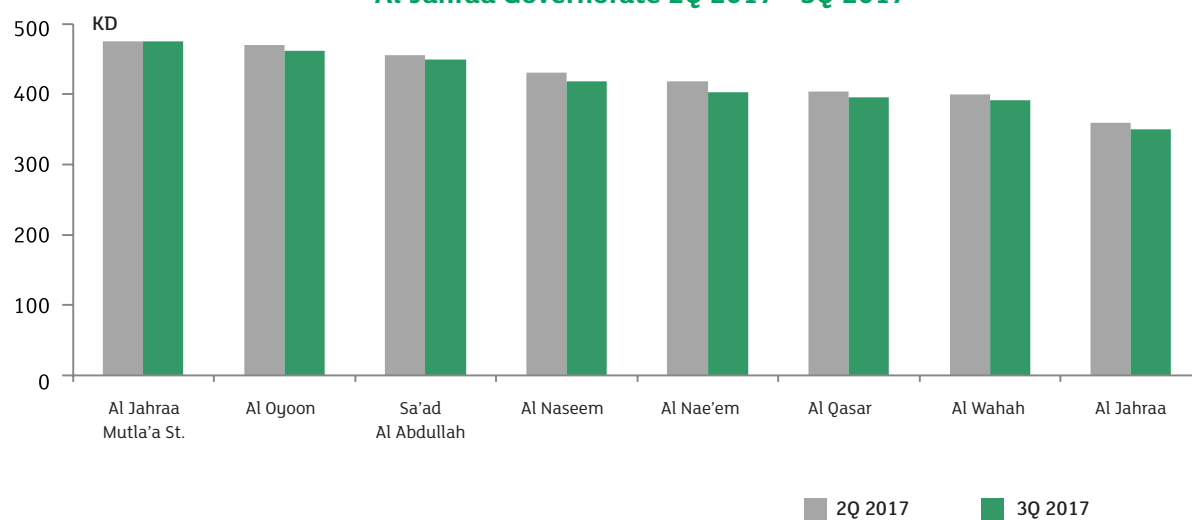
Source: Kuwait Finance House

Jahra Governorate

Average price per square meter in Jahra governorate reached KD 411 as at the end of Q3 2017 i.e. a decline by 3.1% compared to Q2. This decline is the highest decline ratio among governorates. An ascending trend of average price per meter was noticed in the governorate till Q3. This trend comes after the slight improvement witnessed during the preceding two quarters in 2017. Accordingly, average price has recorded the highest decline ratio among governorates on annual basis as it reached 9.2% as at the end of Q3 2017.

Prices stabilized for the third time respectively in the highest price areas in Jahra area e.g. Mutlaa St. as price reached KD 480/- M2 while prices declined in Oyoun area by 2% compared to Q2 and declined in Saad Al-Abdullah area by 1%. Average price per square meter increased in these two areas to exceed KD 450 as at the end of Q3. Prices declined in most of the governorate areas. Prices declined in Naseem area by 3% compared to Q2 and became less than KD 420/- . Next comes Na'eem area in which prices declined in Q3 by 4% compared to Q2. Average price in Al-Qasr area, Club Street and Oases area reached less than KD 400 i.e. a decline by 2% compared to Q2. Prices declined in old Jahra area at a higher ratio 3% as price per square meter recorded KD 350 as at the end of Q3.

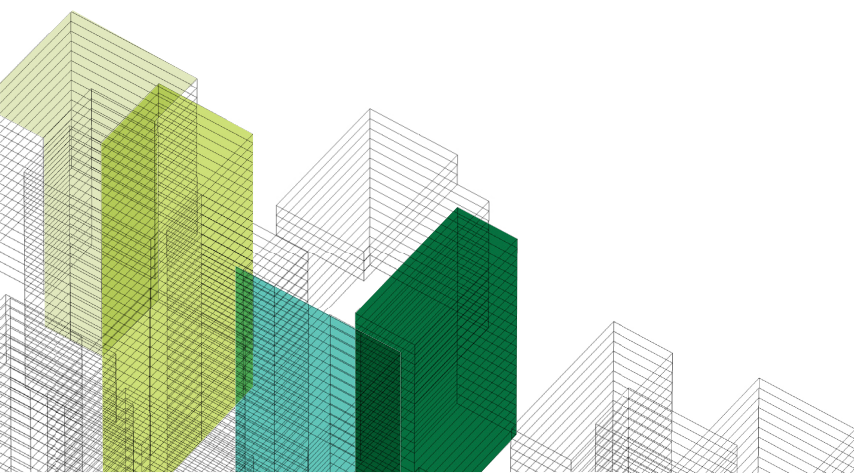
Figure (17) Average price/ M2 for Private Residence at Al Jahraa Governorate 2Q 2017 - 3Q 2017



Residential Plot Prices at Jahraa Governorate

Region	Area m ²	Building %	Land Market Value (KD)		Market Value / m ² (KD)		Average Price / m ² Q3 2017
			From	To	From	To	
Qasr – Club Street	1,000	210%	450,000	500,000	450	500	475
Qasr (Existing Houses)	600	210%	170,000	210,000	283	350	317
Jahraa – Mutla'a St. - Internal	1,000	210%	450,000	500,000	450	500	475
Na'eem – Plots	400	210%	130,000	170,000	325	425	375
Na'eem – (GVT House)	400	210%	145,000	200,000	363	500	431
Oyoun	297.68	Up to 800 M2	120,000	155,000	403	521	462
Al Naseem (GVT House) – Main Roads	400	210%	145,000	190,000	363	475	419
Oasis – Existing House	300	Up to 800 M2	100,000	135,000	333	450	392
Saad Al-Abdullah	400	210%	160,000	200,000	400	500	450

Source: Kuwait Finance House

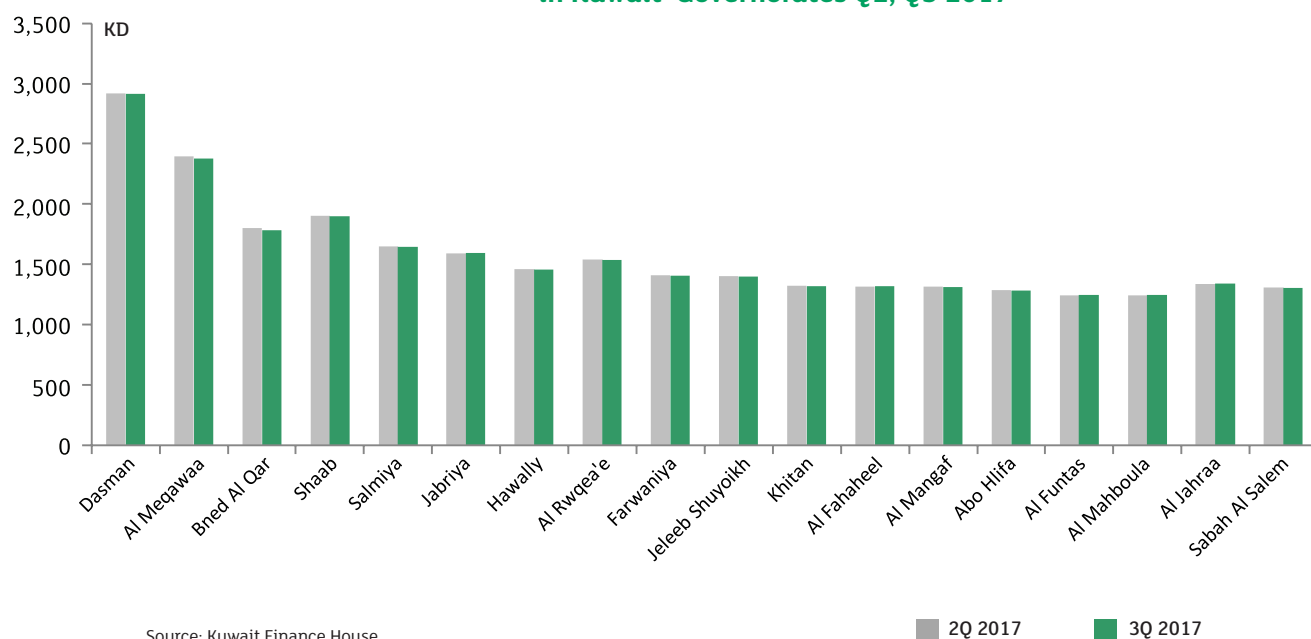


Second: Investment Land Prices

Average investment land Prices per square reached KD 1,560 at government level as at the end of Q3 i.e. a slight decline which has reached 0.2% compared to average price as at the end of Q2. Prices stabilized in most of the governorate areas while other governorates witnessed a slight decline including Capital governorate in which average price declined slightly. Prices declined also in Hawalli and Farwaniya governorates. Decline ratios in average price per square meter continued to improve in all governorates compared to a higher decline in Q 3 2016 where it reached 1.5% on quarterly basis. An improvement is also noticed in the decline calculated on annual basis which has reached 5% in Q3 2017 compared to 13% in Q3 2016.

Average price declined in Capital governorate as at the end of Q3 by 0.4% compared to Q2. Average price declined in Hawalli and Farwaniya governorates by less ratio. Meanwhile, declined ratio has improved at all governorates comparing to a higher decline at Q3 preceding year when reached 1.5%, it is also shown when improvement on the decline on an annual basis reached to 5% in Q3 2017 comparing to a decline by 13% at the same quarter 2016. Average prices declined in Capital by 0.4% comparing to Q2, while declined in Farwaniya and Hawalli by less than that, however stabilized for the first time in Mubarak Al-Kabeer and Ahmadi governorates since they have started the decline at the beginning of last year. Prices stabilized in Jahra governorate during Q3 and Q2. while annual decline ratios fluctuated at all governorate levels. Farwaniya governorate recorded a decline by 9% while Jahra governorate recorded the lowest decline ratio among governorates by 2% for Q3 2016.

Figure (18) Average Price per sqm for Investment Residence properties in Kuwait Governorates Q2, Q3 2017



Capital Governorate

Concerning prices in each governorate, average price reached KD 2,360 in Capital governorate i.e. the highest among governorates. Prices declined slightly in the governorate as at the end of Q3 by 0.4% compared to Q2. Change ratios per meter continue their improvement during the year at the governorate level compared to a larger decline during the same period 2016. The decline in the price per meter as at the end of Q3 2017 reached 3% on annual basis compared to a decline by 10% for the same period 2016.

In regard to Capital governorate, prices in Dasman area are the highest in the governorate. Also, it is the highest among all investment areas in other governorates. Average price per meter stabilized during Q3 & Q2 at KD 2,900 in this area. Prices stabilized also in the highest price areas e.g. Dasman area and other places overlooking Gulf Road as well as several places in Abdullah Al-Ahmed Street and internal places of Dasman area.

Average price per square meter declined slightly in Eastern Maquaa Area by 0.5% compared to Q2. Prices declined in investment places of the area including those overlooking main streets e.g. Shuhadaa street where prices declined by 1%. Meanwhile, prices stabilized in some main places where prices reached KD 2,600 per meter. Prices declined in other internal places covering an area of 500 M2 in Maqwa area by 1.7% compared to Q2. Prices stabilized in other places at KD 1,800 in Q3 & Q2.

Average price declined slightly in Benaid Al-Qar area by less than 1% compared to Q2. Prices stabilized in the highest price areas overlooking Gulf Road at KD 2,900. Prices stabilized in Istiqlal Street and certain main locations while prices declined slightly in internal areas of Benaid Al-Qar area. Also, prices declined in main 1,000 M2 areas of Port Saeed Street as at the end of Q3 by 1.7% compared to Q2. Prices declined in main locations overlooking the 1st and 2nd Ring Road by 2.2% in Q3.

Investment Land Prices at Capital Governorate

Region	Area m ²	Building %	Street	Land Market Value (KD)		Market Value / m ² (KD)		Average Price / m ² Q3 2017
				From	To	From	To	
Bneid Al Gar	1,000	250 %	Gulf Road	2,800,000	3,000,000	2,800	3,000	2,900
	500	250 %	Main	850,000	900,000	1,700	1,800	1,750
	1,000	250 %	Internal	1,380,000	1,500,000	1,380	1,500	1,440
	1,000	250 %	1 st & 2 nd Ring Road	1,650,000	1,820,000	1,650	1,820	1,735
General Average in the Area				1,468,750	1,590,000	1,715	1,860	1,788
Eastern Muqawa	250	240 %	Internal	400,000	500,000	1,600	2,000	1,800
	500	400 %	Main	1,250,000	1,375,000	2,500	2,750	2,625
	1,000	400 %	Shuhadaa	2,700,000	2,800,000	2,700	2,800	2,750
General Average in the Area				1,368,750	1,476,250	2,263	2,503	2,383
Dasman	1,000	400 %	Gulf Road	3,650,000	3,800,000	3,650	3,800	3,725
	1,000	400 %	Internal	2,200,000	2,400,000	2,200	2,400	2,300
	750	400 %	Abdullah Al-Ahmed	2,000,000	2,100,000	2,667	2,800	2,733
General Average in the Area				2,616,667	2,766,667	2,839	3,000	2,919

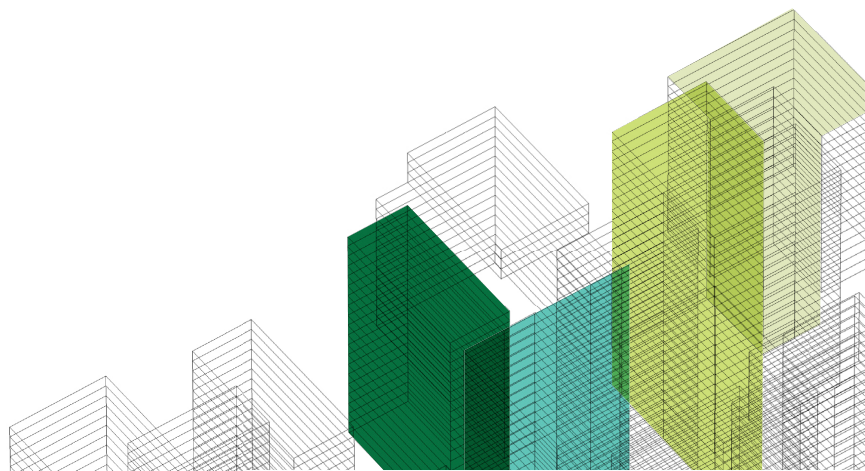
Hawalli Governorate

Average price in Hawalli governorate reached KD 1,651 in Q3 with a slight decline for the second time respectively, by not more than 0.5% on a quarterly basis in Q3. Prices are still stable at the governorate since several quarters. Decline ratios in prices have improved compared to those recorded during the same periods last year. Accordingly, it is evident that the annual decline ratio of average price has stabilized as it recorded 7% for the second time respectively in Q3 2017 i.e. half the decline ratio recorded during the same period 2016.

Average price per meter declined slightly in investment areas of the governorate including Shaab area in which prices declined by less than 0.5%. Average price per meter is the highest among governorate areas as it recorded KD 1,900 in Q3. Prices declined in most of the places in the area. However, prices stabilized in certain 1,000 M2 area places of Shaab area. Prices declined in certain internal places and other locations of Istiqlal Street by not more than 0.5% compared to Q2.

Average price stabilized in Salmia area during Q2 & Q3 of the year. Prices stabilized in certain locations including those considered as the highest price locations e.g. places overlooking Gulf Road. Prices stabilized in the second highest price area per square meter in Amr Bin Al-Aas Street and many other locations where price per square meter ranged between KD 1,500/- - KD 1,700/-. In certain parts of Hamad Al-Mubarak Street average price per meter declined by 1% compared to Q2. Average price per meter stabilized in Baghdad St., Mughira Bin Shuba St., Amman St. and in main 1,000 M2, 750 M2 and 500 M2 area internal locations.

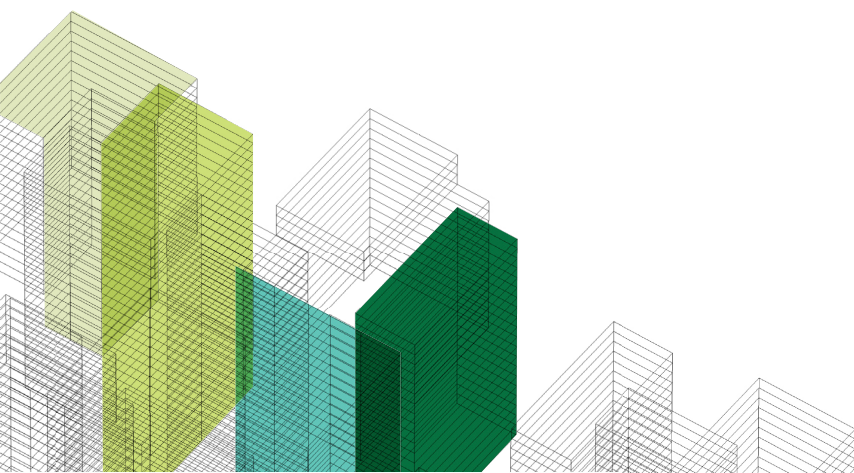
Average price stabilized in Jabriya area in Q3 and Q2 due to the stability of prices in most of the locations in the area including the highest price areas overlooking 4th Ring Road and some other places. Average price stabilized also in places overlooking Maghreb Street and Shanakel Street. Prices declined by 1% in internal places of 1,000 M2 area in Jabriya area. Average price per meter stabilized in Hawalli area with a significant stability noticed in Cairo Street, Hasan Al-Basri street and Yarmouk street. Prices declined by 1% and 1.4% in certain internal locations covering 1,000 M2 and 750 M2 areas which are considered as the lowest price areas in Hawalli.



Investment Land Prices at Hawalli Governorate

Region	Area m ²	Building %	Street	Land Market Value (KD)		Market Value / m ² (KD)		Average Price / m ² Q3 2017
				From	To	From	To	
Hawalli	750	250 %	Muthana	1,000,000	1,150,000	1,333	1,533	1,433
	750	250 %	Qutaiba	1,100,000	1,200,000	1,467	1,600	1,533
	750	250 %	Ahmed Bin Toloun	1,000,000	1,125,000	1,333	1,500	1,417
	750	250 %	Maghrib	1,150,000	1,200,000	1,533	1,600	1,567
	750	250 %	Sharhabeel	1,000,000	1,125,000	1,333	1,500	1,417
	1,000	250 %	Internal	1,160,000	1,400,000	1,160	1,400	1,280
General Average in the Area				1,059,667	1,176,000	1,385	1,537	1,461
Al Salmiya	1,000	250 %	Gulf	2,700,000	3,000,000	2,700	3,000	2,850
	750	250 %	Baghdad	1,180,000	1,250,000	1,573	1,667	1,620
	750	250 %	Amman	1,150,000	1,200,000	1,533	1,600	1,567
	750	250 %	Bahrain	1,200,000	1,250,000	1,600	1,667	1,633
	750	250 %	Amr Bin Aas	1,250,000	1,400,000	1,667	1,867	1,767
	1,000	250 %	Main	1,500,000	1,550,000	1,500	1,550	1,525
	1,000	250 %	Internal	1,300,000	1,450,000	1,300	1,450	1,375
General Average in the Area				1,232,500	1,320,313	1,593	1,707	1,650
Al Shaab	1,000	250 %	Gulf	2,800,000	3,050,000	2,800	3,050	2,925
	750	250 %	Internal	1,050,000	1,230,000	1,400	1,640	1,520
General Average in the Area				1,717,500	1,895,000	1,805	1,998	1,901
Al Jaberiya	1,000	250 %	4 th Ring Road	1,650,000	1,700,000	1,650	1,700	1,675
	1,000	250 %	Maghrib	1,550,000	1,600,000	1,550	1,600	1,575
	1,000	250 %	McDonalds	1,700,000	1,750,000	1,700	1,750	1,725
	750	250 %	Internal	1,050,000	1,150,000	1,400	1,533	1,467
General Average in the Area				1,452,500	1,543,750	1,544	1,642	1,593

Source: Kuwait Finance House



Farwania Governorate

Average price per square meter stabilized for the second time respectively in Farwaniya governorate at KD 1,417/- at the end of Q3. Improvement is clearly noticed in the decline ratios recorded in prices last year on quarterly basis. Annual change ratios are tending to improve as well, registering a decline ratio by 9% in Q3 2017 compared to a decline ratio of 14% for the same period last year.

Prices stabilized remarkably in Farwania governorate including Riga'e area which is considered as the highest price area in the governorate. Prices stabilized in locations overlooking 5th Ring Road and in main internal places and certain other internal locations and other locations overlooking 4th Ring Road.

Average price stabilized Farwania area and in certain location overlooking airport road as well as other main places in the area and other areas. Average price stabilized in Jaleeb Al-Shoyoukh area and other locations overlooking 6th Ring Road, main locations and internal sites except certain locations with 500 M2 area which have recorded a 2% decline compared to Q2. Prices did not witness any change in Khaitan area main and internal streets. However, prices stabilized in the airport road and stabilized in locations leading to airport and certain internal streets in Q3.

Investment Land Prices at Farwaniya Governorate

Region	Area m ²	Building %	Street	Land Market Value (KD)		Market Value / m ² (KD)		Average Price / m ² Q3 2017
				From	To	From	To	
Farwaniya	750	250 %	Airport	1,050,000	1,165,000	1,400	1,553	1,477
	750	250 %	6 th Ring	1,050,000	1,130,000	1,400	1,507	1,453
	1,000	250 %	Internal	1,100,000	1,250,000	1,100	1,250	1,175
	500	250 %	Main	750,000	800,000	1,500	1,600	1,550
General Average in the Area				1,042,857	1,142,143	1,343	1,473	1,408
Khaitan	750	250 %	6 th Ring	1,050,000	1,130,000	1,400	1,507	1,453
	1,000	250 %	Internal	1,100,000	1,250,000	1,100	1,250	1,175
	600	250 %	Internal	750,000	840,000	1,250	1,400	1,325
General Average in the Area				1,030,000	1,138,000	1,257	1,390	1,323
Jaleeb Al Shuyoukh	750	250 %	6 th Ring	1,050,000	1,130,000	1,400	1,507	1,453
	750	250 %	Police Station	1,040,000	1,130,000	1,387	1,507	1,447
	750	250 %	Main	1,000,000	1,100,000	1,333	1,467	1,400
	500	250 %	Internal	650,000	750,000	1,300	1,500	1,400
General Average in the Area				908,750	1,007,500	1,328	1,473	1,400
Al Raqei	750	250 %	4 th Ring	1,200,000	1,230,000	1,600	1,640	1,620
	1,000	250 %	5 th Ring	1,550,000	1,600,000	1,550	1,600	1,575
	1,000	250 %	4 th Ring	1,550,000	1,600,000	1,550	1,600	1,575
	750	250 %	Internal Main	1,050,000	1,160,000	1,400	1,547	1,473
General Average in the Area				1,171,429	1,252,857	1,481	1,599	1,540

Source: Kuwait Finance House

Mubarak Al-Kabeer Governorate

Average price per square meter in Mubarak Al-Kabeer governorate reached KD 1,307/- in Q3 & Q2. Decline ratios which prices witnessed in the governorate seem to be taking the ascending trend. Annual decline ratio of prices has improved to reach 7% in Q3 compared to a larger annual declines which has reached double this ratio for the same period last year.

Average price per meter stabilized in most of the places in Sabah Al-Salem area, main areas and other places overlooking Fahaheel road which is considered as the highest price area. Also prices did not witness any change in certain places overlooking 6th Ring Road and certain main and internal areas of Sabah Al-Salem area.

Investment Land Prices at Mubarak Al Kabeer Governorate

Region	Area m ²	Building %	Street	Land Market Value (KD)		Market Value / m ² (KD)		Average Price / m ² Q3 2017
				From	To	From	To	
Sabah Al Salem	750	250%	Internal	825,000	940,000	1,100	1,253	1,177
	1,000	250%	Main	1,250,000	1,400,000	1,250	1,400	1,325
	1,000	250%	Fahaheel	1,480,000	1,550,000	1,480	1,550	1,515
	500	170%	6 th Ring	500,000	550,000	1,000	1,100	1,050
General Average in the Area				1,093,571	1,191,429	1,250	1,365	1,307

Source: Kuwait Finance House

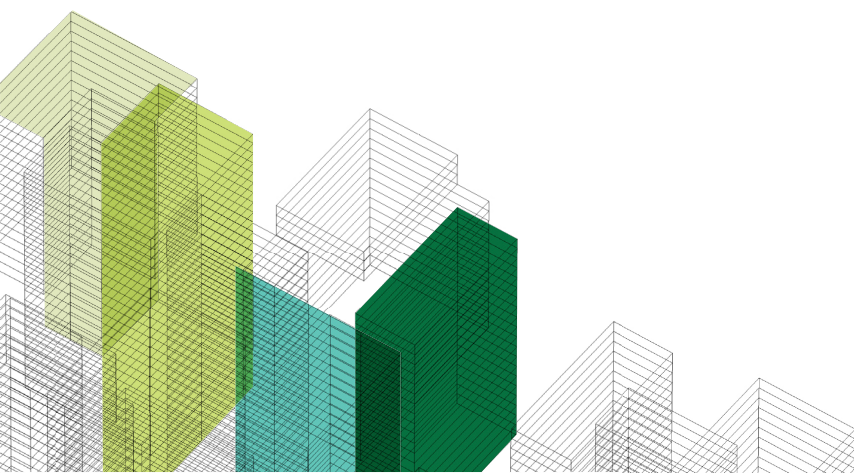
Ahmadi Governorate

Average price per square meter in Ahmadi Governorate reached KD 1,282/- in Q3 & Q2 and still represents the lowest price among Kuwait governorates. Quarterly price change ratios seem to be taking the ascending trend. Just like other governorate, annual decline ratios in the governorate seems to be taking the ascending trend to reach 5% in Q3 compared to 15% for the same period last year.

Prices stabilized in governorate areas including Fahaheel area in which average price per meter stabilized. Prices stabilized remarkably in area locations including main and internal streets as well as Mecca St. and Badawiya St. which are the highest price streets in the area. Prices have stabilized also in internal and main locations with an area of 500 M2.

Mangaf area comes in second position in regard to price per square meter in investment areas at the governorate. Average price per square meter stabilized in the governorate. Prices stabilized also in the coastal strip which is still considered as the highest price area. Prices have also stabilized in main locations of Mecca Street, Fahaheel road and internal places of the area.

Prices stabilized in most of the locations in Abu-Halifa area e.g. coast strip road and certain main places in the area. Prices stabilized remarkably in several internal areas of Fintas area and in the lowest price areas. In regard to Mahboula, which is considered as the lowest price area, average price per meter stabilized in most of the internal areas and main streets.



Investment Land Prices at Ahmadi Governorate

Region	Area m ²	Building %	Street	Land Market Value (KD)		Market Value / m ² (KD)		Average Price / m ² Q3 2017
				From	To	From	To	
Al Fintas	750	250 %	Fahaheel	975,000	1,020,000	1,300	1,360	1,330
	750	250 %	Main	850,000	975,000	1,133	1,300	1,217
	1,000	250 %	Coast	1,600,000	1,650,000	1,600	1,650	1,625
General Average in the Area				940,833	1,044,167	1,179	1,312	1,245
Abu Halifa	500	250 %	Internal	570,000	650,000	1,140	1,300	1,220
	750	250 %	Main	850,000	975,000	1,133	1,300	1,217
	1,000	250 %	Coast	1,600,000	1,650,000	1,600	1,650	1,625
General Average in the Area				942,500	1,036,250	1,218	1,353	1,285
Mangaf	500	250 %	Internal	580,000	700,000	1,160	1,400	1,280
	750	250 %	Main	1,000,000	1,100,000	1,333	1,467	1,400
	1,000	250 %	Main	1,650,000	1,700,000	1,650	1,700	1,675
General Average in the Area				987,143	1,088,571	1,248	1,382	1,315
Mahboula	500	250 %	Internal	570,000	650,000	1,140	1,300	1,220
	750	250 %	Main	850,000	975,000	1,133	1,300	1,217
	750	250 %	Fahaheel	975,000	1,020,000	1,300	1,360	1,330
	1,000	250 %	Coast	1,600,000	1,650,000	1,600	1,650	1,625
General Average in the Area				975,000	1,020,000	1,300	1,360	1,330
Fahaheel	500	250 %	Internal	600,000	720,000	1,200	1,440	1,320
	750	250 %	Main	900,000	1,050,000	1,200	1,400	1,300
	1,000	250 %	Mecca	1,400,000	1,500,000	1,400	1,500	1,450
General Average in the Area				921,429	1,042,857	1,236	1,400	1,318

Source: Kuwait Finance House

Jahra Governorate

Average price per square meter stabilized in Jahra governorate at KD 1,342/- in Q3 respectively, thus maintaining the ascending trend which recorded on quarterly basis by the quarterly change per square meter. The decline in average price per meter stabilized and recorded 2% compared to a larger decline by 14% in average price in Q3 last year.

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

Investment land Prices at Jahraa Governorate

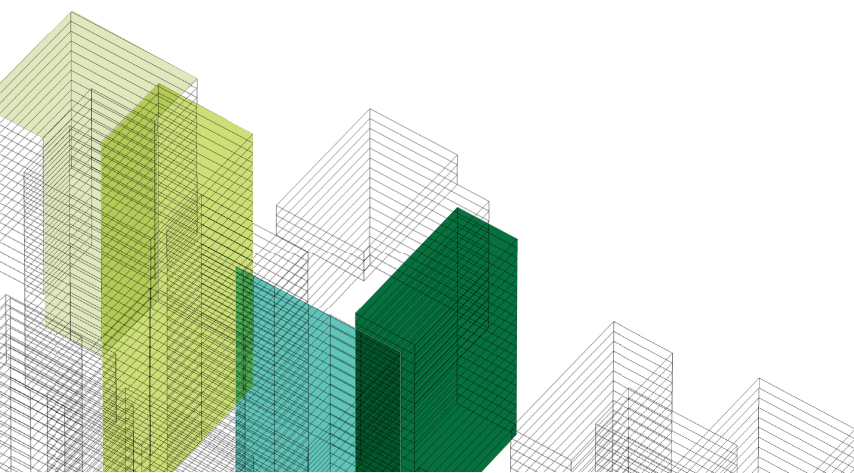
Region	Area m ²	Building %	Street	Land Market Value (KD)		Market Value / m ² (KD)		Average Price / m ² Q3 2017
				From	To	From	To	
Al Jahraa	1,000	250 %	Internal	1,050,000	1,240,000	1,050	1,240	1,145
	1,000	250 %	Main	1,250,000	1,400,000	1,250	1,400	1,325
	800	250 %	Khuzami St. (water station)	1,150,000	1,220,000	1,438	1,525	1,481
	500	250 %	Main	700,000	780,000	1,400	1,560	1,480
General Average in the Area				940,000	1,066,667	1,258	1,425	1,342

Source: Kuwait Finance House

Annual rate of return on Investment properties

Investment real estate are considered a competitive income generating investment compared to other investment opportunities. Returns stabilized in Q3 this year in most of the governorates to reach 7.3% to 8.5% at Kuwait governorates level. Investment real estate returns are still increasing more than commercial real estate returns in most of the governorates especially with the stability witnessed in investment returns in Q3 compared to Q2. Returns on investment real estates in Capital Governorate reached 7.3% while in Hawalli governorate it approximated 7.9% in Q3.

Average return reached 8.2% in Farwaniya governorate and slightly exceeded the rate of return on commercial real estates in the governorate. The rate of return on investment real estates stabilized in the governorate. Average return in Ahmadi governorate reached 8.4% and reached 8.2% in Mubarak Al-Kabeer and Jahra governorates during Q3 2017.



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

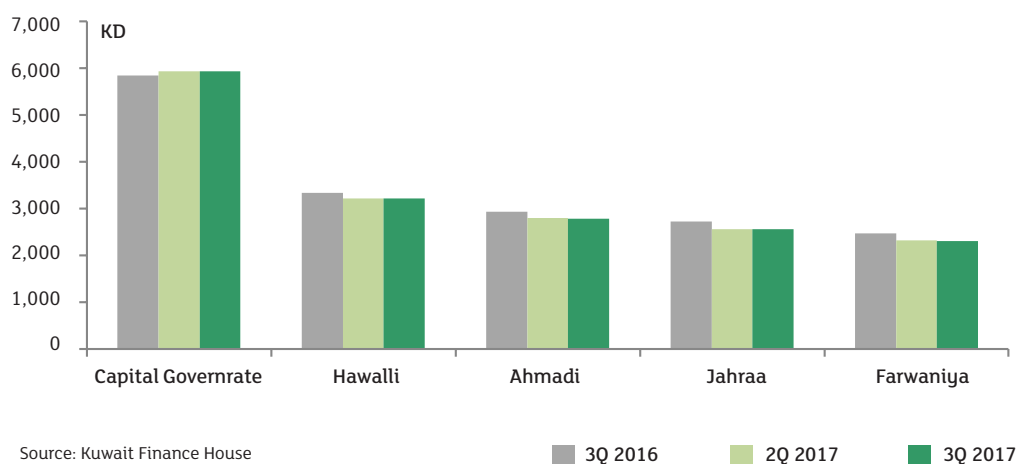
Governorate	Region	Area m ²	Building %	Site	Sale Return/Annual Real Estate Income % Q3 2017		
					From	To	Average
Capital	Bneid Al Gar	1,000	250 %	Gulf	6.50 %	7.00 %	6.75 %
	Bneid Al Gar	1,000	250 %	Istiqlal	7.50 %	7.50 %	7.50 %
	Eastern Maqwa	250	240 %	Internal	6.50 %	7.00 %	6.75 %
	Dasman	1,000	400 %	Gulf	6.50 %	7.00 %	6.75 %
Hawalli	Hawalli	750	250 %	Muthana	8.00 %	8.25 %	8.13 %
	Hawalli	1,000	250 %	Mousa Bin Nasir	8.00 %	8.25 %	8.13 %
	Salmiya	1,000	250 %	Gulf	6.50 %	7.00 %	6.75 %
	Salmiya	1,000	250 %	Hamad Mubarak	7.75 %	8.00 %	7.88 %
	Shaab	1,000	250 %	Gulf	6.50 %	7.00 %	6.75 %
	Shaab	1,000	250 %	Internal	7.75 %	8.00 %	7.88 %
Farwaniya	Farwaniya	1,000	250 %	Airport	8.00 %	8.00 %	8.00 %
	Farwaniya	750	250 %	Internal	8.50 %	8.50 %	8.50 %
	Khaitan	750	250 %	Airport	8.00 %	8.00 %	8.00 %
	Khaitan	750	250 %	Internal	8.50 %	8.50 %	8.50 %
	Raqei	1,000	250 %	5th Ring	7.75 %	8.00 %	7.88 %
Ahmadi	Fintas	500	250 %	Internal	8.25 %	8.50 %	8.38 %
	Fintas	750	250 %	Main	8.50 %	8.75 %	8.63 %
	Abu-Halifa	500	250 %	Internal	8.25 %	8.50 %	8.38 %
	Abu-Halifa	1,000	250 %	Coast	7.00 %	7.50 %	7.25 %
	Mahboula	750	250 %	Internal	8.50 %	8.75 %	8.63 %
	Mahboula	750	250 %	Fahaheel	8.50 %	8.50 %	8.50 %
	Mahboula	1,000	250 %	Coast	7.00 %	7.50 %	7.25 %
	Fahaheel	500	250 %	Internal	8.25 %	8.50 %	8.38 %
	Fahaheel	750	250 %	Main	8.50 %	8.50 %	8.50 %
Al Jahraa	Jahraa	1,000	250 %	Internal	8.25 %	8.50 %	8.38 %
	Jahraa	800	250 %	Khuzami	8.00 %	8.00 %	8.00 %
Mubarak Al Kabeer	Sabah Al-Salem	500	170 %	Internal	7.50 %	7.50 %	7.50 %
	Sabah Al Salem	1,000	250 %	Internal	8.50 %	8.50 %	8.50 %

Source: Kuwait Finance House

Third: Commercial Real Estate Prices

Commercial land prices stabilized remarkably at all governorates level as average price recorded a price close to that recorded as at the end of 2016 till Q3 2017. Average price per square meter stabilized at KD 3,360 in Q3 following a descending trend of prices in this sector for several quarters. Improvements continued in annual decline ratios of average price which has recorded a decline by 1.8% i.e. less than half the decline recorded in Q3 2016. This decline ratio is very low compared to the decline ratio in both residential and investment sectors.

**Figure (19) Average price/ M2 of Commercial Real estate
at Kuwait Governorates Q2 &3Q 2017 & 3Q 2016**

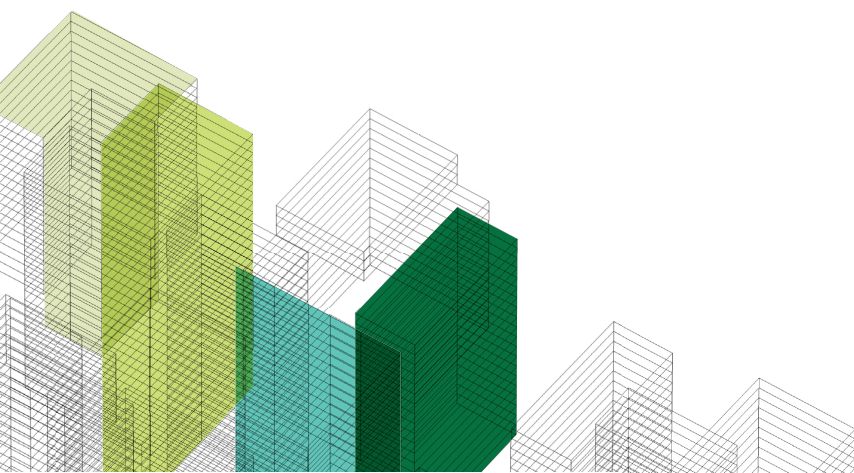


Capital Governorate

Concerning average price per square meter in each governorate, prices have stabilized in most governorates as at the end of Q3. Annual decline ratios improved in governorates which comes on the back of the exceptional increase for the third time respectively in the average price per meter at Capital governorate which has recorded an increase by 2.4% compared to Q3 2016.

Average price per meter stabilized remarkably in the capital governorate since the end of last year to reach KD 5,943 continuing its increase on annual basis to record an increase by 2.4% in a clear ascending trend.

Price levels stabilized in most of the commercial real estate areas including highest price areas e.g. city and several available sites in Mubarak Al-Kabeer Street (Stock Exchange Area) and Sour St. Price levels did not witness any change in the blocks area in Mubarak Al-Kabeer St. Prices stabilized in several locations of Shuhadaa St. Average price per square meter stabilized in Sharq area due to price stability in Khaled Bin Al-Waleed St. and Ahmed Al-Jaber St. and most of the other locations.



Commercial Land Prices at Capital Governorate

Region	Building %	Street	Area m ²	Land Market Value (KD)		Market Value / m ² (KD)		Average Price / m ² Q3 2017
				From	To	From	To	
Qiblah	300 %	Mubarakiya	500	2,250,000	3,250,000	4,500	6,500	5,500
Sharq	520 %	Ahmad Al Jaber	500	3,050,000	3,400,000	6,100	6,800	6,450
City	620 %	Sour	500	2,850,000	3,100,000	5,700	6,200	5,950
City	620 %	Mubarak Al Kabeer Stock Exchange	500	3,450,000	3,850,000	6,900	7,700	7,300
City	300 %	Ali Al-Salem	500	2,500,000	3,125,000	5,000	6,260	5,625
Qibla	520 %	Ali Al-Salem	500	2,850,000	3,000,000	5,700	6,000	5,850

Source: Kuwait Finance House

Hawalli Governorate

Prices stabilized in Hawalli governorate to reach KD 3,225/- in Q3 and in the last three quarters last year, compared to an earlier descending trend. There was a remarkable improvement in the annual changes in the average price per meter in the governorate, thus reaching 2.3% compared to Q3 last year i.e. less than 1/3 of the annual decline by 7.6% recorded in 2016.

Average price stabilized in most of the commercial areas at the governorate e.g. highest price commercial areas such as certain places in Salem Al-Mubarak Street. Price per square meter maintained its level which has exceeded KD 3,700/- . Prices stabilized in several locations of Tunis and Beirut Streets at more than KD 3,500/- in Q2. Prices stabilized also at less than KD 3,000/- in certain commercial areas in the governorate e.g. certain commercial areas of Bahrain Street.

Commercial Land Prices at Hawalli Governorate

Region	Building %	Street	Area m ²	Land Market Value (KD)		Market Value / m ² (KD)		Average Price / m ² Q3 2017
				From	To	From	To	
Hawalli	180 %	Tunis	1000	3,400,000	3,650,000	3,400	3,650	3,525
	150 %	Othman	750	1,950,000	2,175,000	2,600	2,900	2,750
Salmiya	180 %	Hamad Mubarak	800	2,400,000	2,640,000	3,000	3,300	3,150
	180 %	Salem Mubarak	800	2,400,000	3,600,000	3,000	4,500	3,750
	180 %	Bahrain	500	1,300,000	1,425,000	2,600	2,850	2,725

Source: Kuwait Finance House

Farwaniya Governorate

Average price per square meter reached KD 2,312/- in Farwaniya governorate in Q3 i.e. no changes compared to the preceding two quarters. Price per square meter declined on annual basis in the governorate by the highest ratio among all governorates 4.9% which indicates improvements compared to an annual decline ratio by 8.4% in Q3 2016.

Average price per square meter stabilized in governorate areas including high price areas in the governorate e.g. Munawer Street in Farwaniya and places covering an area of 750 M2. Meanwhile, average price stabilized in locations covering an area of 1,000 M2 in the same area. Prices did not witness any change in several locations of Fire brigade Street in Q3 2017.

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

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

Commercial Land Prices at Farwaniya Governorate

Region	Building %	Street	Area m ²	Land Market Value (KD)		Market Value / m ² (KD)		Average Price / m ² Q3 2017
				From	To	From	To	
Farwaniya Menawer St.	180 %	Menawer	1,000	4,400,000	4,750,000	4,400	4,750	4,575
Farwaniya Fire Brigade St.	180 %	Fire Brigade St.	800	3,040,000	3,400,000	3,800	4,250	4,025
Jaleeb Al Shuyoukh (Opposite Society)	180 %	Cooperative St.	1,000	2,150,000	2,350,000	2,150	2,350	2,250
Jaleeb Al Shuyoukh (Background)	180 %	Internal	1,000	1,900,000	2,100,000	1,900	2,100	2,000
Dhajeej (5000 m) 6 th Ring Road	50 %	6 th Ring	5,000	5,500,000	6,000,000	1,100	1,200	1,150
Dajeej (South Khaitan)	250 %	Internal	5,000	1,500,000	2,250,000	300	450	375
Ardiya – Warehouses	Ground 80% Mezanin 50%	Main	1,000	1,100,000	1,200,000	1,100	1,200	1,150

Source: Kuwait Finance House

Ahmadi Governorate

Average price per square meter in Ahmadi governorate reached KD 2,792 in Q3 and Q2. Price levels at the governorate have been stable for several quarters. Accordingly, decline ratios in prices continued improving on quarterly basis at the governorate. Annual price changes continued to improve to reach 4.1% compared to a little higher decline ratio in Q3 2016.

Concerning average price in governorate areas price levels have stabilized in most of the coast strip places thus exceeding KD 4,200/- which is the highest price among governorate areas. Next comes prices in Mecca and Dabous streets. Average price per square meter stabilized in most of the places in Fahaheel area e.g. coast strip. Prices stabilized in internal places of the area while average price stabilized in certain places of Mecca Street.

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

Commercial Land Prices at Ahmadi Governorate

Region	Building %	Street	Area m ²	Land Market Value (KD)		Market Value / m ² (KD)		Average Price / m ² Q3 2017
				From	To	From	To	
Mangaf	300%	Aziziya	750	1,312,500	1,612,500	1,750	2,150	1,950
Fintas Admin. & Comm.	180%	Main	1,000	3,200,000	3,600,000	3,200	3,600	3,400
	180%	Internal	1,000	3,000,000	3,400,000	3,000	3,400	3,200
Fahaheel	180%	Internal	750	2,625,000	3,000,000	3,500	4,000	3,750
Fahaheel	180%	Coastal road	750	2,062,500	2,325,000	2,750	3,100	2,925
Fahaheel	180%	Mecca	750	3,000,000	3,375,000	4,000	4,500	4,250
Khiran Pearl	180%	Marina	1200	2,550,000	2,850,000	3,400	3,800	3,600

Source: Kuwait Finance House

Jahra Governorate

Average price per square meter in Jahra governorate stabilized remarkably to reach KD 2,565 for the 4th consecutive quarter. On annual basis, average price per square meter declined by 4.9% in Q3 where annual changes are witnessing an ascending trend.

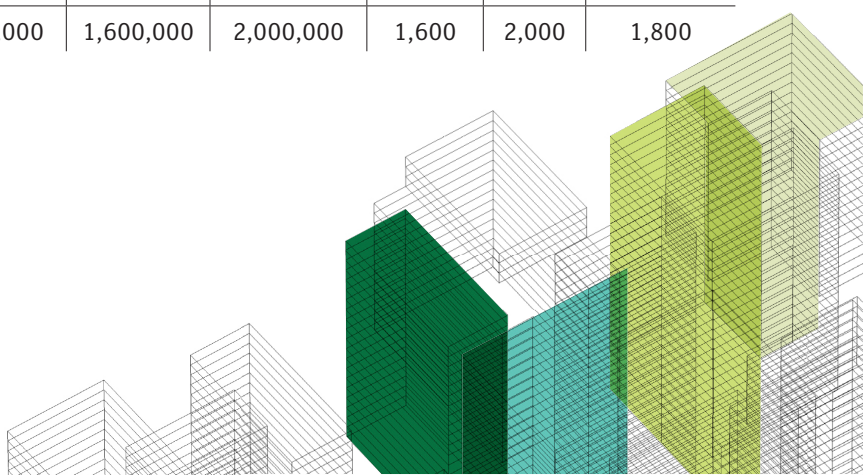
Price levels stabilized in governorate areas e.g. highest price places such as the commercial and office center. Prices stabilized also in places where price per square meter is less than KD 3,000/- e.g. several places in Jahra area including Marzouq Al-Met'eb Street.

Price levels in Qaisariyat area did not witness any change in Q3 compared to Q2. Average price stabilized in certain places of Jahra area including places with an area of 1,000/- M2 e.g. blocks 21 and 41 compared to price levels in Q1.

Commercial Land Prices at Jahra Governorate

Region	Building %	Street	Area m ²	Land Market Value (KD)		Market Value / m ² (KD)		Average Price / m ² Q3 2017
				From	To	From	To	
Jahraa	50%	Marzouq Al-Met'eb	1,000	2,500,000	3,000,000	2,500	3,000	2,750
Jahraa Admin. & Comm. Center	300%	Admin. & Commercial	875	2,843,750	3,325,000	3,250	3,800	3,525
Jahra - Qaisariyat	300%	Block 20	225	540,000	607,500	2,400	2,700	2,550
Jahraa	50%	Block 21	1,000	1,600,000	2,000,000	1,600	2,000	1,800

Source: Kuwait Finance House



Annual Rate of Return on Commercial Properties

Return ratios on commercial properties stabilized remarkably at the end of Q3. However, they are still relatively lower than returns on investment properties in certain governorates except Hawalli governorate in which rate of return on commercial properties is still more than the rate of return on investment properties.

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

Average return reached in Farwaniya to 8.1%, and 8.4% in some distinguish areas like Jaleeb Shoyoukh, Dajeej and some internal places. Average return has stabilized in Jahraa governorate recording 7.9%, while in Jahra area which is one of the distinguish areas it exceeded 8.1%. The rate of return on commercial properties in Ahmadi governorate reached 7.9% and reached more than 8% in Fintas and Fahaheel. Also the rate of return exceeded 8.2% in distinguished areas in the governorate e.g. Mangaf area.

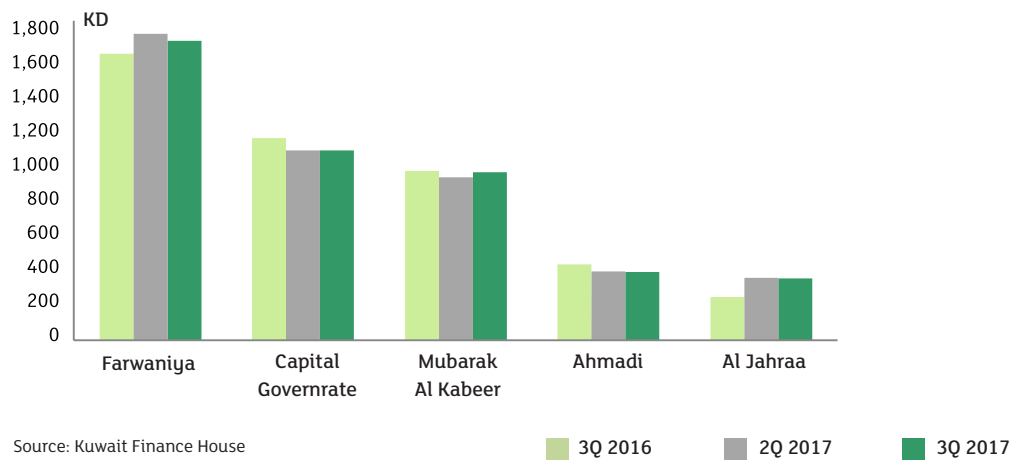
Annual Rate of Return (ARR) on Commercial Properties in Certain Kuwait Areas

Governorate	Region	Building %	Street	Average Annual Return % Q3 2017		
				From	To	Average
Capital	Qiblah	300%	Mubarakiya	6.25 %	6.50 %	6.38 %
	Sharq	520%	Ahmad Al Jaber	6.75 %	7.00 %	6.88 %
	City	620%	Sour	6.75 %	7.00 %	6.88 %
	City	620%	Mubarak Al-Kabeer (Blocks)	6.75 %	7.00 %	6.88 %
	Qibla	620%	Fahad Al-Salem	6.75 %	6.75 %	6.75 %
Hawalli	Hawalli	180%	Tunis	7.75 %	8.00 %	7.88 %
	Hawalli	180%	Beirut	7.75 %	8.00 %	7.88 %
	Hawalli	180%	Ibn Khaldoun	7.75 %	8.25 %	8.00 %
	Salmiya	180%	Hamad Al Mubarak	7.75 %	8.00 %	7.88 %
	Salmiya	180%	Salem Al Mubarak	7.75 %	8.00 %	7.88 %
Farwaniya	Farwaniya Menawer St.	180%	Menawer	7.75 %	7.75 %	7.75 %
	Khaitan (Admin. & Commercial)	300%	Admi. & Comm.	8.00 %	8.25 %	8.13 %
	Jaleeb Shoyoukh – Opposite Cooperative	180%	Coop. St.	8.00 %	8.25 %	8.13 %
	Dhajej (5000m) Internal	210%	Internal	8.25 %	8.50 %	8.38 %
	Ardiya - warehouses	Ground 80% Mezzanine 50%	Main	8.00 %	8.00 %	8.00 %
Jahraa	Jahraa	180%	Marzouk Al-Mat'aab	7.75 %	8.00 %	7.88 %
	Jahraa (Admin. & Commercial)	300%	(Admin. & Commercial)	7.75 %	8.00 %	7.88 %
	Jahraa - Quisareyat	300%	Plot 20	7.50 %	7.75 %	7.63 %
	Jahraa	50%	Plot 41 A	8.00 %	8.00 %	8.00 %
Ahmadi	Mangaf	300%	Aziziya	8.00 %	8.50 %	8.25 %
	Fintas (Admin. & Commercial)	180%	Internal	8.00 %	8.00 %	8.00 %
	Fahaheel	180%	Internal	8.00 %	8.25 %	8.13 %
	Fahaheel	280%	Mecca	7.75 %	7.75 %	7.75 %

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

Average price per square meter of industrial plots increased to reach KD 880/- as at the end of Q3 and Q2 2017 at Kuwait level. This increase comes on the back of the increase in average prices in Mubarak Al-Kabeer governorate and the stability thereof in some other governorates. Prices have recorded positive change ratios in this sector for the second time respectively, thus continuing to stabilize. Accordingly, price levels increased at all governorates level by 1% on annual basis which is considered as the first time prices increase on annual basis since 2 years. This comes on the back of the significant increase in price levels in Jahra governorate while other governorates are still recording low prices.

Figure (20) Average Market Value/ M2 for Industrial and Handcraft Property at Kuwait Governorates 2Q, 3Q 2017 - 3Q 2016

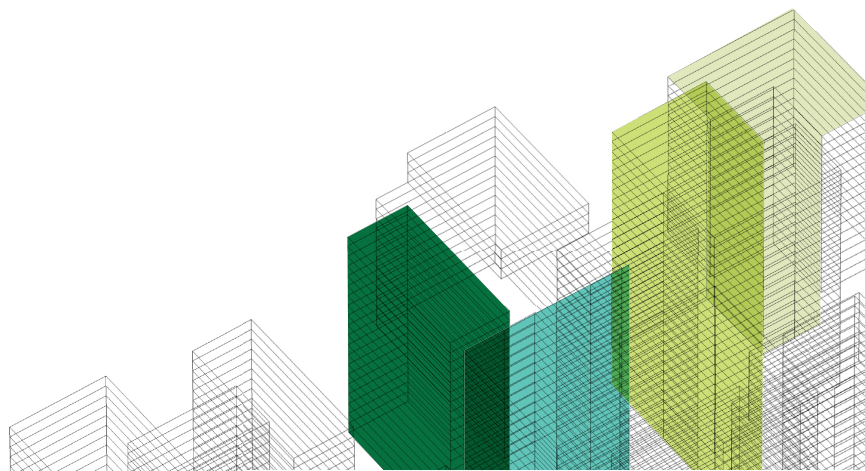


Capital Governorate

At various governorates level, average price per square meter in capital governorate reached KD 1,048 as at the end of Q3. Prices have stabilized relatively with a very slight decline which did not exceed have percent (0.3%) compared to average price in Q2. Meanwhile, prices are still recording annual decline which has reached 10% in Q3 i.e. slightly less than the decline in quarters 1 and 2 2017 which has reached 12%.

Average price stabilized in the industrial areas in Q3 except some areas which are considered as the highest price areas in the governorate e.g. Electricity Street in Shuwaikh industrial area in which price per meter exceeded KD 1,400, thus recording a decline by 3.1% compared to Q2. Prices stabilized in several locations of electricity street and decoration street which are considered the second highest price areas at the governorate level. Prices stabilized also in several places of Canada Dry street.

Prices stabilized in certain industrial places overlooking 4th Ring Road at little less than KD 1,000 during Q3. Prices stabilized also in certain places of Pepsi Street and certain internal areas of Shuwaikh Industrial area, Ghazallie Street and industrial plots in Mohammed Al-Qasem Street.



Industrial Plot Prices at Capital Governorate

Region	Allocation	Area m²	Building %	Street	Land Market Value (KD)		Average Price / m² Q3 2017
					From	To	
Industrial Shuwaikh	Showrooms + Industrial	1,000	100% Basement + 80% Ground + 50% Mezzanine	Canadadry St.	1,200,000	1,320,000	1,260
		5,000		Canadadry St.	5,000,000	6,000,000	1,100
		1,000		Shahrazad St.	800,000	850,000	825
		1,000		Decoration St.	1,100,000	1,250,000	1,175
		500		Decoration St.	650,000	725,000	1,375
		500		Electricity St.	1,200,000	1,350,000	1,275
		5,000		Pepsi St.	3,750,000	4,000,000	775
		1,000		4 th Ring Road	850,000	1,000,000	925
		22,500		Internal	7,900,000	9,700,000	391
		1,000		Mohammad Al Qasim	800,000	900,000	850
		1,000		Ghazali St.	700,000	800,000	750
General Average in the Area					2,084,176	2,428,750	1,048

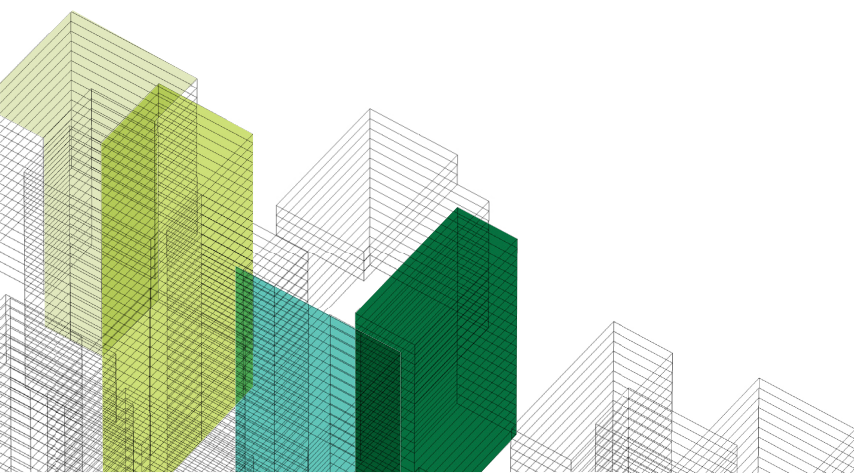
Source: Kuwait Finance House

Farwania Governorate

Average price per square meter reached KD 1,687 as at the end of Q3 i.e. a decline by 1.3% compared to Q2 which has witnessed a remarkable increase by 11.5% on quarterly basis. Average price in the governorate is considered as the highest among various governorates. Price levels at the governorate recorded a 4% annual increase which is considered as the second highest increase at all governorates level on annual basis.

Price per meter has declined in the industrial areas of the governorate. Prices declined in Ardiya Handcraft Area to reach less than KD 2,500 i.e. a decline by 1.8% compared to Q2. This decline is the highest among industrial area for the second time respectively although prices have stabilized in certain Ardiya locations overlooking 5th Ring Road. Meanwhile, prices declined in places located opposite Ardiya stores by 3% and places located opposite Ardiya residential area by 2.3% on quarterly basis.

Average price per square meter stabilized in Al-Rai area. Prices stabilized in most of the places in this area including those which are considered as the highest price areas e.g. Safat Al-Ghanem till Al-Naser Sporting Showroom and certain places overlooking 4th ring road. Prices stabilized in certain places of Mohammed Al-Qasem Street while they did not witness any change in several locations of Gazalle Street as well as internal streets in the area.



Industrial Plot Prices at Farwaniya Governorate

Region	Allocation	Area m ²	Building %	Site	Street	Land Market Value (KD)		Average Price / m ² Q3 2017
						From	To	
Al Rai	Showrooms + Industrial	1.000	100% Basement + 80% Ground + 50% Mezzanine	Main	Safat Al Ghanim (till Al Nasr Sports)	1,150,000	1,250,000	1,200
		1.000		Main	Ghazali St.	750,000	900,000	825
		4.000		Main	Mohammad Al Qasim	3,400,000	4,250,000	956
General Average in the Area						1,790,000	2,133,333	884
Ardiya Craft Area	Crafts	250	100% Basement + 80% GF + 20% Mezzanine	Main	Opposite Ardiya Stores	630,000	680,000	2,620
		250		Main	Opposite Ardiya Residential	620,000	670,000	2,580
General Average in the Area						587,500	657,500	2,490

Source: Kuwait Finance House

Ahmadi Governorate

Average price per square meter reached KD 385 in Ahmadi governorate for the second time respectively in Q3 as it witnessed a remarkable stability in the general trend of change ratios calculated on quarterly basis. Price levels declined as at the end of Q3 by 9% on annual basis. This ratio is less than the decline ratios which have prevailed this years as they recorded 10% in Q1 & Q2 and reached their highest by recording 13% in Q4 2016.

Average price in industrial areas still continues its stability in most of the governorate areas. Prices stabilized in Fahaheel area which is still considered as the highest price area in the governorate. Prices stabilized also in certain parts of Sultan Center Street as well as other locations opposite the refineries and internal streets in the area.

Meanwhile, average price per square meter in East Ahmadi Industrial area did not witness any change compared to Q2. Prices stabilized in several locations e.g. Mustafa Karam Street and several other places in the main warehouses area of 5,000 M2. Prices stabilized as well in certain places of internal warehouses of 5,000 M2 areas and other locations of 1,000 M2 warehouses.

Prices stabilized in low price areas e.g. Shuaiba and Mina Abdullah areas. Prices stabilized also in high price areas e.g. Jawharat Al-Fanar and most of the internal and main places of the area. Prices stabilized also in main gravel storage and in internal areas of Mina Abdullah area.

Industrial Plot Prices at Ahmadi Governorate

Region	Allocation	Area m²	Street	Land Market Value (KD)		Average Price / m² Q3 2017
				From	To	
West Shuaiba	Industrial	120,000	Behind Gas Station	8,500,000	10,500,000	79
West Shuaiba		10,000	Internal	1,350,000	1,550,000	145
Mina Abdullah		1,000	Fanar	175,000	210,000	193
General Average in the Area				2,721,875	3,254,375	110
Fahaheel	Showrooms + Industrial	1,000	Sultan Center St.	900,000	1,150,000	1,025
		1,000	Opposite Refinery	500,000	600,000	550
		1,000	Internal Streets	350,000	500,000	425
General Average in the Area				583,333	750,000	667
East Ahmadi Industrial Area	Showrooms + Industrial	75,000	Mustafa Karam	4,150,000	4,500,000	577
		5,000	Main	1,600,000	1,750,000	335
General Average in the Area				1,892,500	2,020,500	379

Prices of Industrial Plots in Mubarak Al Kabeer Governorate

Region	Allocation	Area m²	Street	Land Market Value (KD)		Average Price / m² Q3 2017
				From	To	
Abu Fatira Crafts	Showrooms	1,000	Main	1,900,000	2,000,000	1,950
Abu Fatira Crafts	Handcraft	500	Main	600,000	650,000	1,250
General Average in the Area				1,150,000	1,237,500	1,488
Sabhan	Industrial	1,000	Main	400,000	550,000	475
		1,000	Pepsi	500,000	600,000	550
		5,000	Pepsi	2,000,000	2,250,000	425
General Average in the Area				1,033,333	1,216,667	408

Prices of Industrial Plots in Al Jahraa Governorate

Region	Allocation	Area m²	Street	Land Market Value (KD)		Average Price / m² Q3 2017
				From	To	
Amghara	Major Contractors	10,000	Internal	1,300,000	1,500,000	140
		10,000	Main	1,600,000	1,800,000	170
	Minor Contractors	1,000	Internal	750,000	825,000	158
		1,000	Main	850,000	1,000,000	185
General Average in the Area				809,167	920,833	172
Al Jahraa	Crafts	500	Internal	190,000	220,000	410
		500	Main	240,000	260,000	500
General Average in the Area				210,000	242,500	530

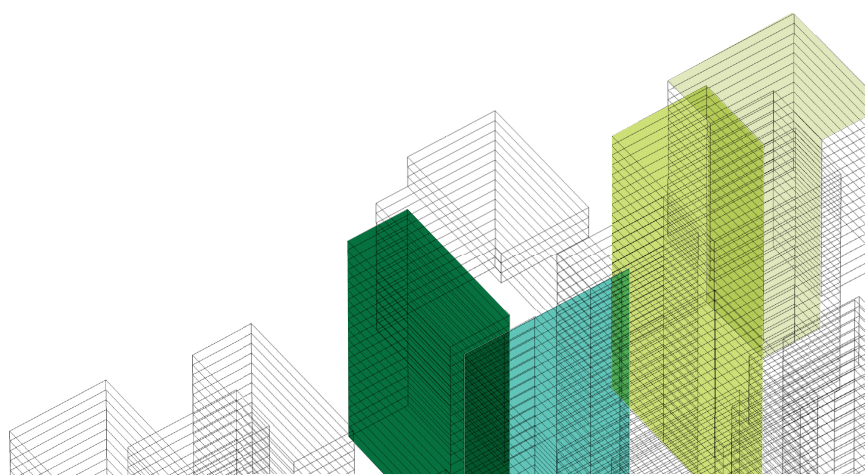
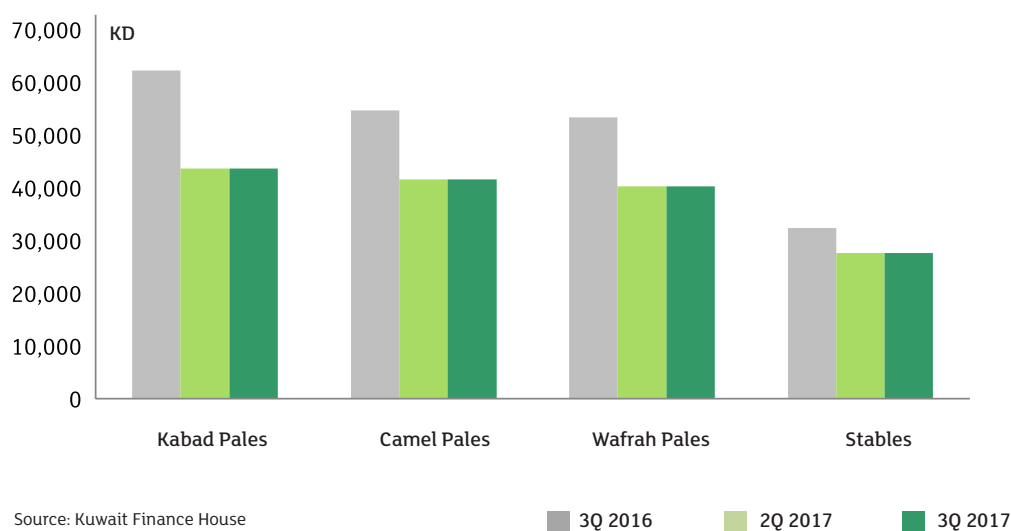
Fifth: Prices of Farms and Livestock Pales

Average prices of livestock pales and stables stabilized in Q3 compared to Q2 2017 at Kuwait level. This remarkable stability comes on the back of the stability in prices in most of the stables and pales in Ahmadi governorate. The estimated usufruct price of the land reached KD 36,812 which is less significantly by 22% than the average price in Q3 2016.

Prices stabilized in all areas at the governorate. Estimated usufruct price of land in a 2500 M2 area location at Kabd Farms reached KD 42 Thousand. Price per meter in this area is still ranging between KD 16 – 22. Average price per square meter of land in certain locations at the livestock pales area with 1,600 M2 area reached KD 40 Thousand. Price per meter in these areas ranges between KD 22-28. Prices in usufruct land at Wafra farms stabilized as the estimated price for a 2,500 M2 land approximated KD 38.8 Thousand.

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

Figure (21) Average estimated price of usufruct right at Livestock farms and Stables at Ahmadi Governorate 2Q-3Q 2017 and 3Q 2016



Agricultural Land in Jahra and Ahmadi Governorates

Average estimated price per square meter of usufruct land recorded K.D 3.2 in agricultural land in Kuwait governorates, thus declining by 6.2% compared to Q2. Average price reached KD 3.6 in land covering an area of 50,000 M2 and reached KD 2.4 per square meter in land covering an area of 100,000 M2 and reached KD 3.4 in land covering an area of 1 million square meter. Average price per square meter stabilized in Ahmadi and Jahra governorates in Q3.

Estimated average price for usufruct land in Jahra governorate ranged between KD 900 thousand – KD 1 Million as per areas and locations. Prices declined in most of the agricultural areas in the governorate. Average price per square meter of usufruct land covering an area of 1 million square meters in the livestock farm at Sulaibiya area approximated KD 3.5 Million. Average price of usufruct land approximated KD 290 thousand in farms covering an area of 50 thousand square meter. Estimated price of usufruct land in agricultural land in Abdali – Mutlaa Road for a land covering an area of 100 thousand square meters reached KD 220 Thousand.

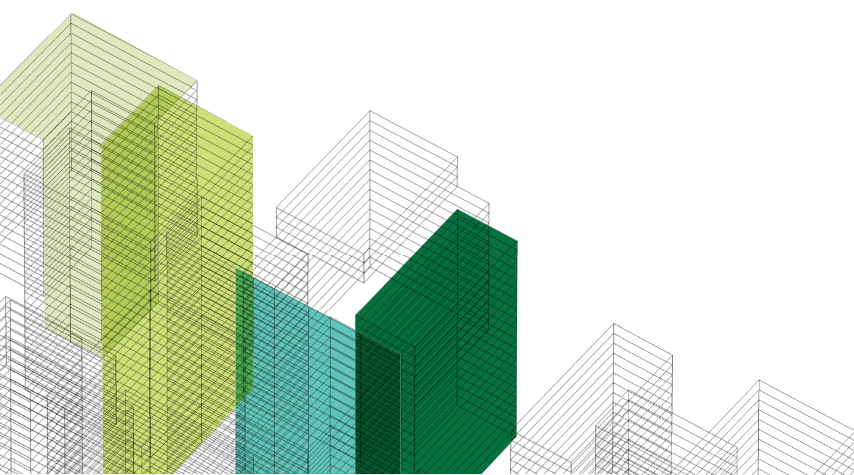
Estimated average price per square meter in agricultural land in Ahmadi governorate - Wafra area covering an area of 100 thousand meters stabilized. Prices in areas covering an area of 50 thousand stabilized also as at the end of Q3.

Prices of Farms and Livestock Pales

Governorate	Region	Area m ²	Site	Estimated Plot Usufruct Price (KD)		Price / m ² (KD)		** A/P Q3 2017
				From	To	From	To	
Ahmadi	Kabd Pales	2,500	Internal	40,000	50,000	16	20	45,000
	Kabd Pales	2,500	Main	50,000	55,000	20	22	52,500
	Equestrian Stables –Ahmadi	500	Internal	20,000	25,000	40	50	22,500
		500	Racecourse + Golf	30,000	35,000	60	70	32,500
	Wafra Farms	2,500	Internal	30,000	40,000	12	16	35,000
		2,500	Main	40,000	45,000	16	18	42,500

** A/P = Average Plot Price in KD

Source: Kuwait Finance House



Sixth: Chalet Prices

Quarter 3 2017 has coincided with the end of summer season. This could be the reason behind the increase in demand on this type of land. Also, this could explain the stability in average price per square meter in the sea front of the land in addition to the stability which has prevailed during Q3 in the prices of some real estate types.

Average price per square meter at the sea front in Ahmadi governorate reached KD 14.7 Thousand i.e. a decline by less than half percent (0.2%) compared to Q2. Prices stabilized in most governorate areas e.g. Benaider and Jelai'a which are considered as highest price areas in the governorate. Prices stabilized in Nuwaiseeb area which is considered as the lowest price area. Prices declined in Al-Zour chalets area by 2% compared to Q2. This area is the only area which has recorded a decline. Average price stabilized in several usufruct sites in Khiran area.

Prices stabilized in average value areas e.g. Mina Abdullah, Dhaba'eya and Zour beach areas. Prices stabilized in capital governorate during Q3 due to the stability of prices in the governorate areas including Doha area. The same can be said about Jahra governorate which has witnessed stability in prices e.g. chalets in Kazma and Sabbiya areas.

Chalet Prices at Al-Ahmadi Governorate

Governorate	Region	Waterfront Length in Meters	Chalet Market Value		Price/Linear Meter - Waterfront (KD)		**A/P / m2 Waterfront Q3 2017
			From	To	From	To	
Ahmadi	Mina Abdullah	20	240,000	300,000	12,000	15,000	13,500
	Dubaeya	20	240,000	300,000	12,000	15,000	13,500
	Julaia	20	400,000	450,000	20,000	22,500	21,250
	Bnaider	20	420,000	480,000	21,000	24,000	22,500
	Al Zour	20	210,000	270,000	11,000	13,500	12,250
	Khairan (beneficiary contract)	20	200,000	240,000	10,000	12,000	11,000
	Nuwaiseeb	20	155,000	200,000	7,750	10,000	8,875

** A/P = Average Price per meter

Source: Kuwait Finance House

Seventh: Occupancy Rates and Rentals

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

Private Residence Rental Value

Average rental values have fluctuated in various places and areas. Average rental value for a ground floor, 3 bed rooms, a hall, covering an area of 135 m² ranged between KD 400 to KD 520 in a private residence real estate with a total area 400 m² during Q3 2017 at Hawalli governorate and reached in Capital governorate KD 550/- in certain areas e.g. Yarmouk and Qadisia areas. Also, it exceeds this level to reach KD 600 in certain distinguished areas of the governorate e.g. Mansouria and Kaifan. Average rental value at Farwania ranges between KD 320 – 370 and reaches KD 400 in certain distinguished areas and KD 450/- in more distinguished areas. Also, it ranges KD 320 – 420 in Ahmadi governorate areas while it increases slightly to KD 450 – KD 500 in certain areas. Average rent ranges KD 350 – 450 in Mubarak Al-Kabeer governorate areas. Average value increases to reach KD 480 – 500 in some other areas at Masayel. Rental value in Jahraa area ranged KD 300 – 400 and reaches KD 420 in distinguished areas.

Rental value for a full floor in a private residence covering an area of 400 meters ranges KD 780 – 880 at Hawalli governorate and reached KD 800 – KD 850 in some distinguished areas and may be little higher to reach KD 900 in more distinguished areas. Rental value ranges between KD 830 – KD 930 in most of Capital governorate areas and may exceed this level to reach KD 1,000/- in certain distinguished areas e.g. Edailia, Faihaa and Rawda. Prices in Farwania governorate ranged between KD 620 – 720 and reached KD 750 in certain distinguished areas.

Average rental value ranges between KD 660 – 760 at Ahmadi governorate and reaches KD 750 – 850 in certain distinguished areas. Rental value reaches KD 570 – 670 at Mubarak Al-Kabeer areas including Abu-Fatira area. Also it may be higher to the level of KD 850 in certain distinguished areas e.g. Masayel. Rental value ranges between KD 550 – 650 in Jahraa Governorate and reaches KD 690 in distinguished areas e.g. Old Jahra area.

Average rental value for a full first or second floor at a private residence covering an area 400 meter ranges KD 680 – 780 and reaches KD 800 in distinguished places of Hawalli governorate. The value in Capital governorate ranges between KD 730 – KD 830 in most of the governorate areas and reached KD 850 in certain areas while it exceeded KD 900 in certain distinguished places. Rental value in Farwaniya governorate ranged between KD 520 – 620 and reached more than KD 650 in certain distinguished places in the governorate.

Rental value at Ahmadi governorate ranges between KD 560 – 660 while it exceeds this limit in certain governorate areas. Also, it ranges between KD 470 – 570 in most of the areas of Mubarak Al-Kabeer governorate. Rental value at Jahra governorate ranged KD 450 – 550.

Investment Residence Rental Value

Average rental value of a 2 bed rooms flat and a hall covering an area of 60 m² in capital governorate ranged between KD 310 – 330. Rental value for the same area in Hawalli governorate ranged between KD 295 to less than KD 320 and may reach KD 330 in certain areas. Rental value for the same area ranged between KD 280 – 300 in Farwaniya Governorate and KD 250 – 270 in Ahmadi governorate. Rental values recorded KD 280 – 300 at Mubarak Al-Kabeer governorate and KD 270 - 300 at Jahra governorate.

Rental value of a 2 bed rooms flats + a hall coving an area of 70 – 74 m² ranged KD 340 – 360 at capital governorate and KD 320 – 350 in Hawalli governorate areas. Rental value ranged between 300 – 330 in Farwaniya governorate and KD 280 – 300 in Ahmadi governorate while it ranged KD 310 – 330 at Mubarak Al-Kabeer governorate and KD 300 – 330 at Jahraa governorate.

Rental value for investment apartments covering an area of 80 – 85 m² ranged between KD 370 – 390 at capital governorate and ranged between KD 350 – 380 at Hawalli governorate areas. Rental value ranged between KD 340 – 360 at Farwaniya governorate areas and ranged KD 310 – 330 at Ahmadi governorate. Rental value approximated KD 360 at Mubarak Al-Kabeer governorate and Jahraa governorates.

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

Prices differ according to different areas, design type, finishing and location. The property age is considered as a basic factor in determining average rental value of a property in Kuwait. We shall focus in this report on new property prices which are increasing rapidly, thus putting more pressure on the rental values of old properties available in the market. When old properties are vacant the land lord will eventually increase rent for the new tenant.

Average property trading is considered a significant factor for assessment of rental value. There are distinguished areas, e.g. Shaab, Mirgab, Bneid Al Gar, Sharq and other places inside those distinguished areas e.g. Qatar and Bahrain Streets at Salmiya, real estate buildings overlooking the coast and Qutaiba and Al Muthanna streets at Hawalli. Also, there are less significant areas e.g. Jaleeb Al Shoyoukh, Abu Halifa and Khaitan.

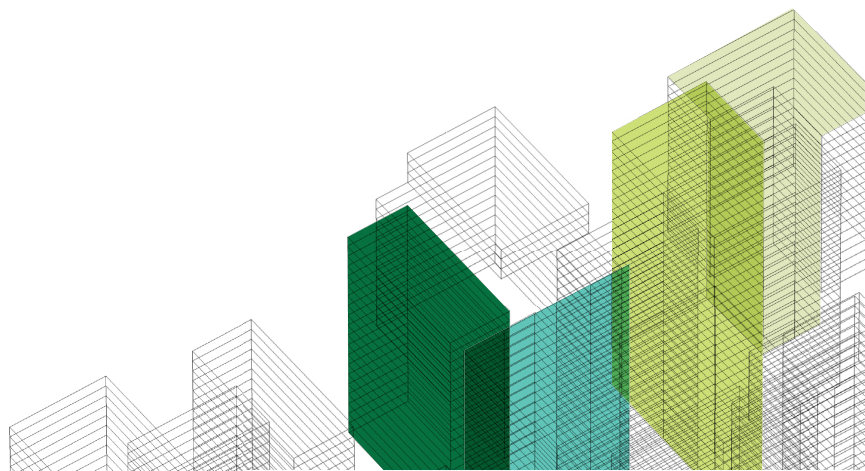
Real estate furnishing is a phenomenon which has spread recently especially for highly distinguished properties. Accordingly, rental value for such properties is determined based on different levels. It is surprisingly noticed recently that rental activities have increased tremendously in internal areas where Kuwaiti citizens live i.e. Salwa, Surra, South Surra and other areas despite the increase in real estate prices and aiming to improve the ability to settle loans.

Commercial Property Rental Value:

Average rent of a commercial meter in a ground floor ranged KD 20 – KD 45 / m² in Hawalli and reached KD 40/- m² in certain distinguished areas of Kuwait city. Rental value of a commercial meter reached KD 50/- in Salmiya. Average rent / m² at offices in Mezzanine ranges KD 12 and reaches KD 14 in certain prime areas and grand yards in Kuwait city. Also it has reached KD 16/- in certain areas of Capital governorate. Price reached KD 12-13 /m² in certain areas in Hawalli, Fahaheel and reached less than this when recorded KD 10/- in Mangaf . It may reach KD 14 or more in certain places in Farwaniya area, depending on location, finishing type and services provided to tenants and visitors.

Industrial Plots Rental Value:

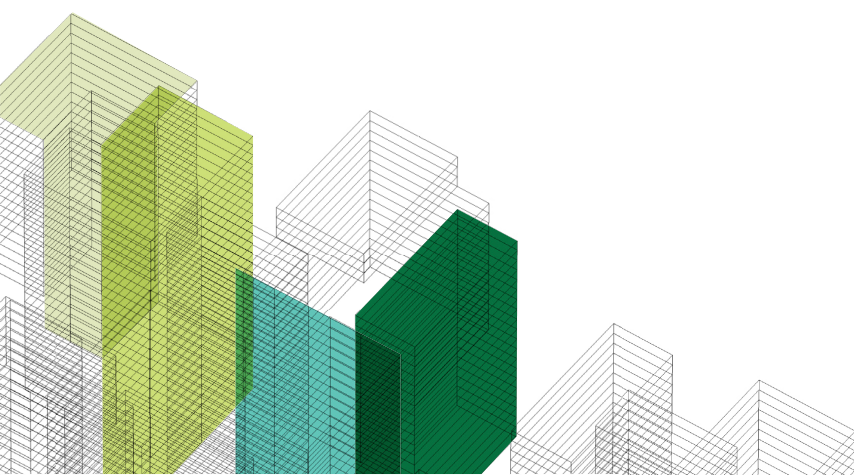
Average rental price per industrial square meter for a ground floor – showrooms – in Shuwaikh and Al-Rai ranged between KD 6.5 – 18. Prices differ according to different locations. Average rental price per meter for a ground floor in Ardiya area (warehouses) ranged between KD 6.5 – 7 and exceeds this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



Average Rental Value for a newly built Private Residence in KD covering an area 400 m Kuwait Governorates during Q3 2017

Hawalli Governorate	3 Bedrooms, a Hall & 4 Bathroom + Maid Room (1st & 2nd Floor) (135)m		Full Floor (Ground)		Full Floor (1st & 2nd)	
Siddique	420	550	850	950	750	850
Salaam	420	550	850	950	750	850
Hitteen	420	550	850	950	750	850
Shuhadaa	420	550	850	950	750	850
Zahraa	420	550	850	950	750	850
Shaab	450	600	900	1000	800	900
Mishrif	400	500	800	900	700	800
Bayan	400	500	800	900	700	800
Mubarak Al-Abdullah	420	550	850	950	750	850
Salwa	380	480	750	850	650	750
Jabriya	400	500	800	900	700	800

Capital Governorate	3 Bedrooms, a Hall & 4 Bathroom + Maid Room (1st & 2nd Floor) (135)m		Full Floor (Ground)		Full Floor (1st & 2nd)	
Edailiya	500	650	1000	1100	900	1000
Faihaa	500	650	1000	1100	900	1000
Rawda	500	650	1000	1100	900	1000
Yarmouk	500	650	1000	1100	900	1000
Keefan	500	650	1000	1100	900	1000
Mansouriya	500	600	1000	1100	900	1000
Qadsiya	500	550	1000	1100	900	1000
Da'eya	500	550	1000	1100	900	1000
Dasma	500	550	1000	1100	900	1000
Surrah	500	550	1000	1100	900	1000
Qurtoba	500	600	1000	1100	900	1000
Ghernata	340	500	680	780	580	680
Sulaibikhat	340	450	680	780	580	680



Average Rental Value for a Newly Built Private Residence in KD Covering an Area 400 m Kuwait Governorates During Q3 2017

Farwaniya Governorate	3 Bedrooms, a Hall & 4 Bathroom + Maid Room (1st & 2nd Floor) (135)m		Full Floor (Ground)		Full Floor (1st & 2nd)	
Farwaniya	350	400	700	800	600	700
Omaria	350	400	700	800	600	700
Khaitan	350	400	700	800	600	700
Ishbilia	350	450	700	800	600	700
Rabia	320	370	640	740	540	640
Rehaab	320	370	640	740	540	640
Aardiya	320	370	640	740	540	640
Andalus	320	370	640	740	540	640

Ahmadi Governorate	3 Bedrooms, a Hall & 4 Bathroom + Maid Room (1st & 2nd Floor) (135)m		Full Floor (Ground)		Full Floor (1st & 2nd)	
Hadiya	320	450	640	740	540	640
Agaila	400	550	800	900	700	800
Mangaf	350	450	700	800	600	700

Mubarak Al-Kabeer Governorate	3 Bedrooms, a Hall & 4 Bathroom + Maid Room (1st & 2nd Floor) (135)m		Full Floor (Ground)		Full Floor (1st & 2nd)	
Sabah Al-Salem	400	500	800	900	700	800
Masayel	450	500	900	1000	800	900
Abu-Fatira – Residential	400	450	800	900	700	800
Addan	400	450	800	900	700	800
Qurain	350	400	700	800	600	700

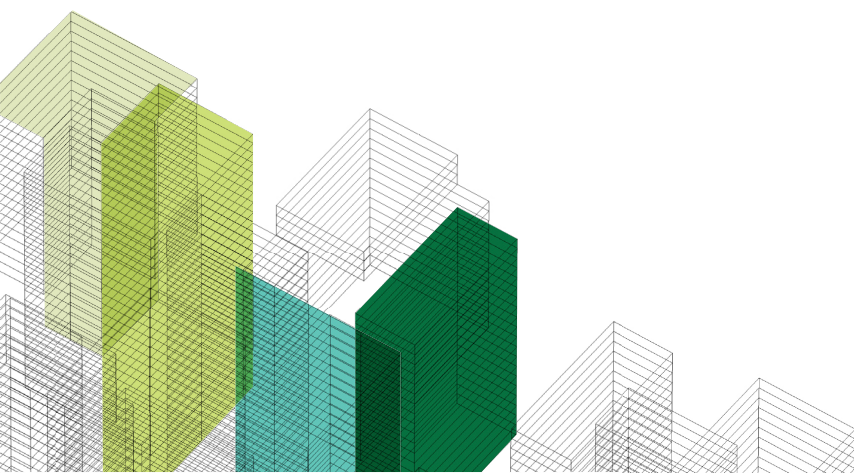
Jahra Governorate	3 Bedrooms, a Hall & 4 Bathroom + Maid Room (1st & 2nd Floor) (135)m		Full Floor (Ground)		Full Floor (1st & 2nd)	
Old Jahra	320	450	640	740	540	640
Saad Al-Abdullah	300	400	600	700	500	600

Average Rental Value Trading Investment Properties in Kuwait Governorates during Q3 2017 (KD)

Hawalli Governorate	2 Bedrooms, Hall & Bathroom (60)m		2 Bedrooms, Hall & 2 Bathrooms (70 - 74)m		2 Bedrooms, Hall & 2 Bathrooms (80 - 85)m		3 Bedrooms, Hall & Maid Room (100 – 110)m	
Salmiya	290	320	320	350	350	380	400	430
Hawalli	280	300	310	330	340	360	390	410
Jabriya	300	320	330	350	360	380	410	430
Shaab	310	330	340	360	370	390	420	440

Capital Governorate	2 Bedrooms, Hall & Bathroom (60)m		2 Bedrooms, Hall & 2 Bathrooms (70 - 74)m		2 Bedrooms, Hall & 2 Bathrooms (80 - 85)m		3 Bedrooms, Hall & Maid Room (100 – 110)m	
Sharq	310	330	340	360	370	390	420	440
Qibla	310	330	340	360	370	390	420	440
Eastern Muqawa	310	330	340	360	370	390	420	440
Dasman	310	330	340	360	370	390	420	440
Bneid Al Gar	310	330	340	360	370	390	420	440

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



Average Rental Value Trading Investment Properties in Kuwait Governorates During Q3 2017 (KD)

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

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

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

Average Rental Value Trading of Commercial Properties at Kuwait Governorates "Q3 2017" (KD)

Areas	Basement	Ground Floor	Mezzanine	Offices
Salmiya	12 – 18	20 – 50	12 – 14	7 – 8.5
Hawalli	10 – 16	20 – 45	12	7 – 8
Farwaniya	12 – 18	25 – 55	12 – 14	8 – 9
Khaitan	10 – 16	20 – 45	12	7 – 8.5
Mangaf – Aziziyah	7 – 8	13 – 25	10	6 – 7
Fahaheel	10 – 16	20 – 50	12 – 13	7 – 9
**(Dajeej (Farwaniya	5 – 6	9 – 14	5 – 6	–
*** Kuwait City	12 – 14	20 – 40	12 – 16	8 – 9.5

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

** Basement as a commercial unit and not a store

*** Administrative and commercial towers

Average Rental Value Trading of Industrial Plots at Kuwait Governorates during Q3 2017 (KD) Average Rental price per Square Meter (KD)

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

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

• Average rental values per square meter increase depending on floor height. In addition, demand increases on stores with a net ceiling height of 6–8 m.

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

GLOSSARY OF TERMS

Private Residence Buildings

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

Investment Residence Building

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

Private School Building

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

Hotels and Motels Buildings

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

Commercial Building

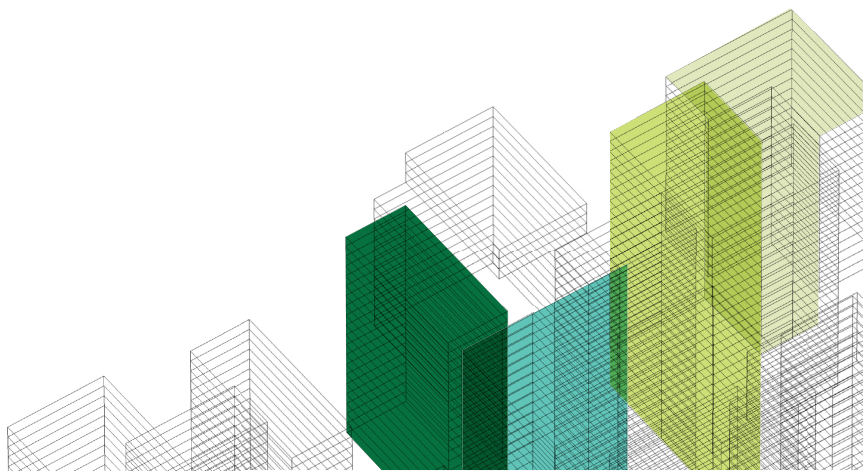
A building in which basement, ground floor and mezzanine are used as commercial shops. These shops may be designed as closely lined up or separate shops in a corridor overlooking the commercial street or in the form of mansions. Recurrent floors may be used as offices or for any other commercial purposes.

Industrial Facilities

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

Residential Complexes Outside and Inside Kuwait City

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



as part of the area required to construct the complex.

Buildings In Various Coastal Strip Areas

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

Buildings Allocated as Plant Nurseries

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

Special Seafront Chalet

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

Private Hospitals

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

UNITS OF MEASUREMENT

Length

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

Area

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

