



Kuwait Finance House
“KFH”

Report On
Local Real Estate Market
Q4 Year 2017



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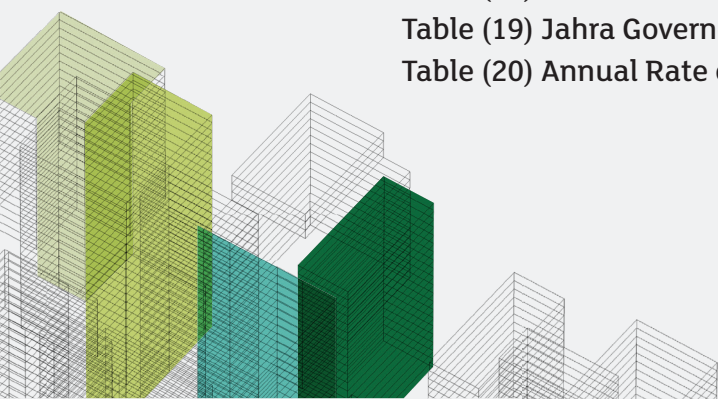


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Introduction

Real estate sales maintained the same levels in 2017 which they have recorded in the preceding year to reach more than KD 2.5 Billion in 2017 i.e. a slight decline by less than 0.5%. This percentage is very low compared to a higher decline during the years 2015 & 2016 by 30% and 25%. Meanwhile real estate transactions have increased in 2017 to reach 5280 transactions i.e. a significant annual increase by 15% in 5 years.

Real estate sector is still taking the ascending trend in regard to the number of transactions during Q4 2017 even though they are still lower than trend recorded in Q4 2016. Real estate sector has continued its annual growth in regard to the number of transactions, thus maintaining its ascending trend and the stability of transactions in Q4 on annual basis. On the other hand, sales value declined slightly in Q4 2017 compared to the preceding quarter. It is also considered as significantly less than the levels recorded for the same periods 2016.

Real estate transactions reached 1,199 transactions in Q4 2017 i.e. an increase by 3% compared to the preceding quarter and a remarkable stability compared to Q4 2016. Quarterly change ratios have witnessed certain fluctuations. Annual change in the number of transactions has witnessed an ascending trend. Meanwhile, transactions value reached KD 582 Million in Q4 i.e. a slight decline 1% on quarterly basis and a significant decline by 17% on annual basis. This ratio is much better than the annual decline in sales value on annual basis during most of the periods in the years 2015 & 2016.

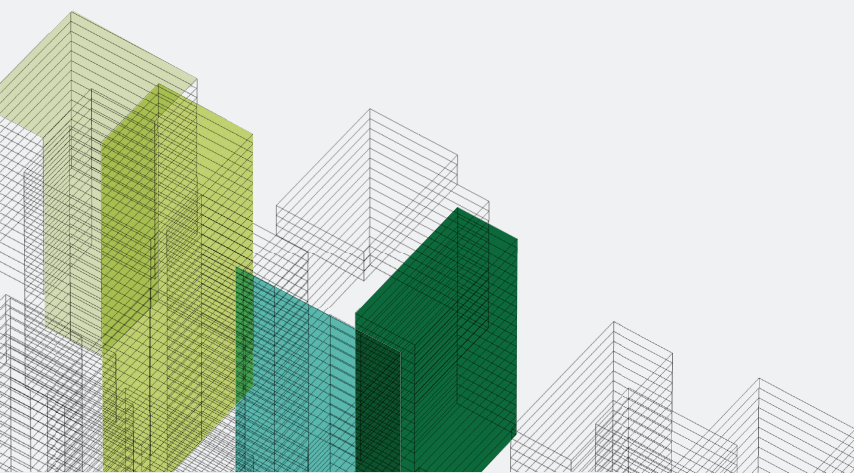
Private residence sector transactions are still below 1,000 transactions which have prevailed during the second half of 2015 although the number of transactions in this sector has increased by 15% in Q4 compared to Q3 and despite the annual increase by 10%. Accordingly, residential sector sales value increased by 18% compared to Q3 and still recording fluctuating change ratios on quarterly basis while the annual change ratio in the sector sales is still continuing its ascending trend, thus recording a growth by 20%.

The number of transactions in investment sector is continuing its descending trend to reach its lowest in Q4 in 5 years as it declined by 8% on quarterly basis and by 26% on annual basis. Accordingly, sales value in investment sector declined by 20% on quarterly basis and declined significantly in Q4 by 30% after witnessing the first annual increase since 2014 as it increased by 9% in Q3 2017.

Trade sector witnessed a fluctuation in the number of transactions recorded as it declined in Q4 by 35% compared to Q3 and declined largely by 52% compared to Q4 2016. Nevertheless, the value of sales in trade sector increased by 66% compared to Q3 while the value is less by 48% on annual basis.

Oil prices closed on an annual increase by 22.6% as at the end of 2017. Brent continued to increase and closed at the end of the year at US\$ 67 / Barrel. Q4 recorded an increase by 16% compared to Q3 which has closed on US\$ 57.7 / Barrel as per Reuters. Meanwhile, inflation ratio reached 1% compared to the record prices as at the end of 2016 as per information published by the Central Statistics Department which has approved the new basis (2013). Also, the index recorded an increase in most of its components except the residence component which has recorded a decline by 0.5% on annual basis considering the availability of several residential units and the increase in available land and construction licenses. This trend comes to cope with the growth plan requirements and the Kuwaiti government commitment to continue investment spending. Inflation ratio in entertainment and cultural activities components recorded the highest level among other components by 6.1%.

The decline ratio in average price per square meter in the private residence sector declined as at the end of Q4 as it reached 1% compared to a higher decline by 2% in Q3. Average price is still witnessing quarterly fluctuating changes. Average price per square meter at all governorates level reached KD 600 as at the end of Q4 2017. Investment real estate sector maintained its



price level as the average price per square meter stabilized in Q4 at KD 1,560/- while prices recorded a decline by 1% on annual basis. Average price per square meter in commercial sector is stable since the beginning of 2017 as it reached KD 3,400/- M2 as at the end of Q4 2017, thus recording improving changing ratios. Annual decline ratios improved in Q4 as it recorded 1.8% in Q3. This ratio is much better than the decline ratios which have reached 6% as at the end of 2016.

Average price per square meter in private residence sector is moving in a stabilized manner for the last few quarters with improvement in the annual decline ratios in the price per square meter which has recorded a decline not exceeding 1% compared to Q3. Annual decline ratio has improved to reach 4.6% as at the end of Q4 2017.

Average price per square meter in investment sector stabilized during 2017 following an earlier decline. Improvement continued in decline ratios on quarterly basis in average price per square meter. Improvement has also continued in the decline ratio of average price per square meter (annual) as it recorded 1% as at the end of Q4 compared to a higher decline which has reached 11% as at the end of 2016.

Average price per square meter in trade sector maintained its stable levels in 2017. Quarterly change ratios continued to improve for this indicator. Improvement has also continued in the annual decline ratio after recording decline ratios which have reached 5.7% as at the end of 2016.

Credit facilities granted by local Kuwaiti banks to both real estate and construction sectors reached KD 9.8 Billion as at the end of Q4 2017 as per the latest information issued by the Central Bank of Kuwait. Facilities declined by 2% compared to Q3. This decline comes on the back of the decline by 1% in credit balances in Real estate sector i.e. KD 8 Billion along with a significant decline by 8% in the credit facilities granted to construction sector which has reached KD 1.9 Billion. Credit facilities granted to real estate and construction sectors stabilized on annual basis. Credit granted to real estate sector increased by 2.7% while credit granted to construction sector declined by more than 11% compared to Q4 2016.

Personal credit facilities reached KD 11 Billion as at the end of Q4 as per the latest information issued, i.e. a quarterly increase by 2% and reached 8.8% on annual basis. These facilities are granted to individuals who wish to construct private residence units. Accordingly, credit facilities volume granted to real estate sector is increasing, thus exceeding KD 20.8 Billion as at the end of Q4 i.e. a slight improvement compared to Q3 reaching 4.3% on annual basis. Such facilities represent 58.8% of the facilities granted to various economic sectors.

Real estate loans, women loans and various donations released by Kuwait Credit Bank reached KD 54.5 Million during November and December 2017. These amounts were paid to finance the purchase of houses, or expansion and renovation of private or government houses. Loans granted include amounts paid to construct private government plots KD 32.4 Million. Real estate portfolio loans reached KD 382 thousand during November and December 2017 for expansion and renovation of private residence. The number of real estate sector companies declined to reach 34 listed companies in Q4 compared to 35 companies in Q3. This number represents 19.2% of the number of listed companies which has declined to reach 177 companies in Q4 compared to a share of 19.4% of 180 companies in Q3. Real estate sector comes in third position among sectors in regard to traded shares and number of transactions in Q4 by 20% and 15% respectively from listed companies. The sector comes in 5th position in regard to the number of traded shares value and commands a share of 6.6% of the traded shares value. In regard to real estate sector performance during 2017. Real estate companies share reached KD 938 Million being the value of their traded shares and which represent 16.4% of the value of traded shares thus putting them in 3rd position during the year. Also it represent 32.6% of the number of shares and 23.6% of the number of deals in 2017. Meanwhile, the shares value of 15 listed real estate companies have increased during the year while the shares of 17 other real estate companies have declined.

Capital value of real estate companies has declined to reach KD 2 Billion as at the end of Q4 i.e. a decline by 10% compared to KD 2.2 Billion as at the end of Q3 and represent 6% on annual basis. Capital value of listed companies declined to reach approximately KD 27.9 billion as at the end of Q4 i.e. 7% compared to KD 30 Billion in Q3. This it is also higher significantly by 5.3% on annual basis. The capital value of real estate companies as at the end of Q4 represents 7.2% of the listed companies compared to more than 8% for the same period 2016. This was accompanied by a decline in the value of traded shares 5.4% on quarterly basis as at the end of Q4 i.e. a decline by KD 994 Million along with a decline in the number of traded shares to 5.6 Billion shares i.e. a decline by 25 despite the increase in the number of transactions to 216 thousand transactions to approximate 18% compared to Q3 2017. Trading indices of Kuwait Stock Exchange were remarkably more active during 2017 compared to the preceding year. The value of traded shares doubled in 2017 to reach more than KD 5.7 Billion while the number of shares exceeded 50 Billion shares through 1.3 Million transactions during the year compared to 2.9 Billion including 30 Billion shares through 917 thousand transactions during 2016. The weight index declined to 400 points as at the end of Q4 compared to 430 points in Q3. The price index declined to reach 6400 points compared to 6800 points in Q3 of the year.

First: Market Trends

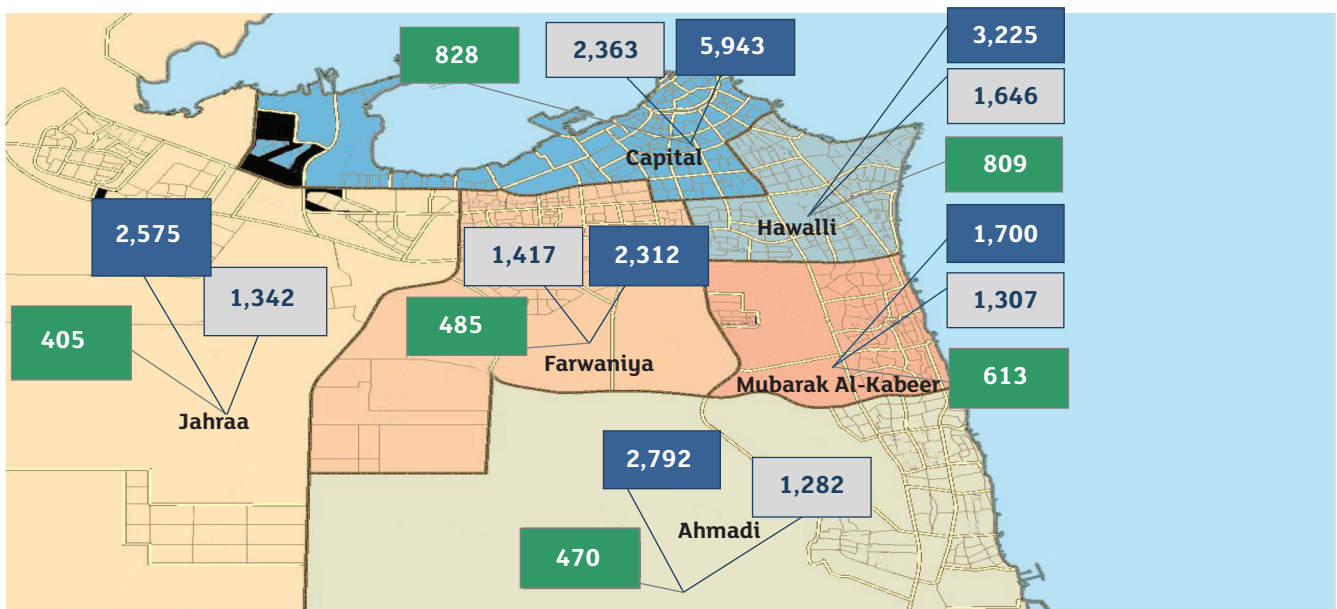
Land Prices in Q4 2017

Decline ratios of private residence sector prices improved on quarterly basis as at the end of Q4, thus recording 1% as per the survey conducted by KFH. Investment sector prices maintained their stability in Q4 compared to Q3. Meanwhile, commercial sector prices recorded a slight improvement on quarterly basis.

Average price per square meter in Capital governorate reached KD 828 for private residence sector as at the end of Q4. Average price per square meter for investment sector reached KD 2,363/- and still increasing much more than this in the commercial real estate sector, stabilizing at KD 5,946 as at the end of Q4. Price per square meter in Hawalli governorate reached KD 809 in the private residence sector, KD 1,646 in investment sector and KD 3,225 in commercial sector. Meanwhile, price per meter in the private residence sector reached KD 485 in Farwaniya governorate, KD 1,417 in investment sector and KD 2,312 in the commercial sector in the same governorate.

Average Price Per Square Meter for Real Estate Sectors in All Governorates Q4 2017

Numbers in KD



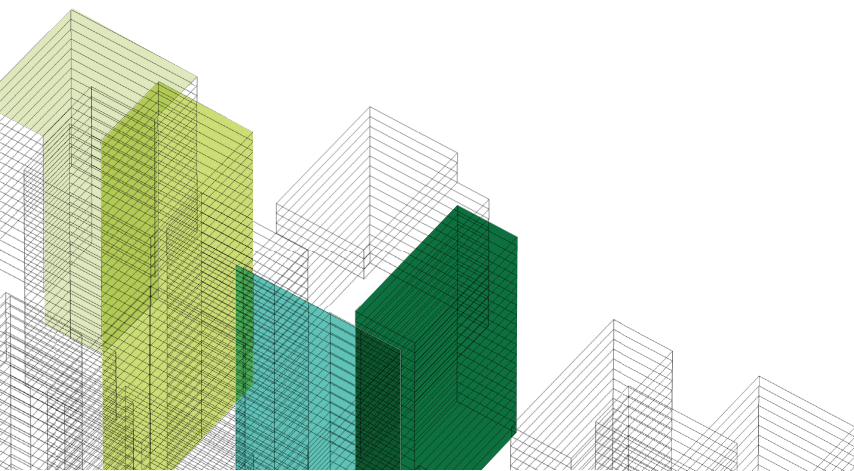
Commercial Lands



Investment Lands



Private Residence



Market Trends During Q4

Real estate sales value declined during Q4 2017 compared to Q3, thus continuing its descending trend and did not reach its high levels in most of the quarters of 2016. The number of trades has increased remarkably since the end of 2016. Accordingly average transaction value declined slightly in Q4 compared to preceding quarter.

The value of real estate sales in private residence sector increased by the end of Q4 on quarterly basis. Although, the sector performance was still fluctuating during 2017 yet the value of sales in 2017 have far exceeded the value achieved during the same periods in 2016. The number of transactions in private residence sector increased, thus maintaining its ascending trend. Average transaction value continued its improvement for the second time respectively in Q4 2017 compared to the preceding quarter, thus maintaining its relatively stable course on the long run.

The value of real estate sales in investment real estate sector declined in Q4 following the stability which it has witnessed in several quarters since the end of 2016. The number of transactions in this sector continued its descending trend to reach the lowest level within 5 years. Accordingly, average transaction value declined during Q4 although it has increased in several quarters since the beginning of 2016.

Real estate sales in commercial real estate sector witnessed more activity compared to Q3 which has witnessed a limited decline, bearing in mind that the sector has witnessed relative stability during the first three quarters of the year. The number of real estate transactions declined in this sector in Q4 on annual basis. Fluctuation has continued in the average transaction value in the commercial sector although it has witnessed remarkable activity in Q4 and reached a record level in 5 years.

Figure 1: Total Real Estate Trading Value Q3, Q4 2017

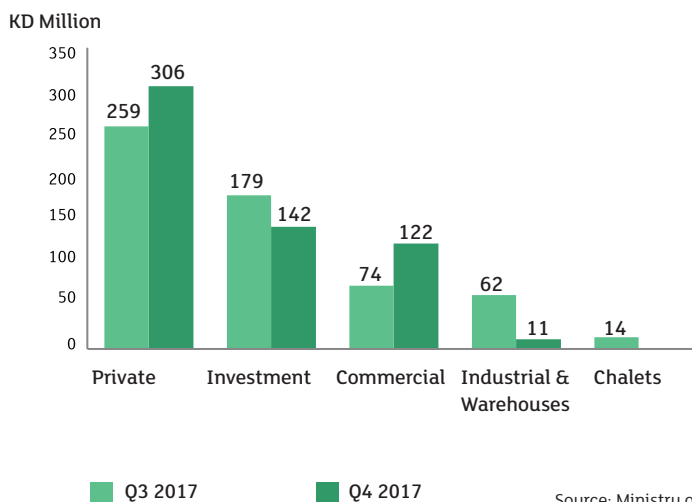
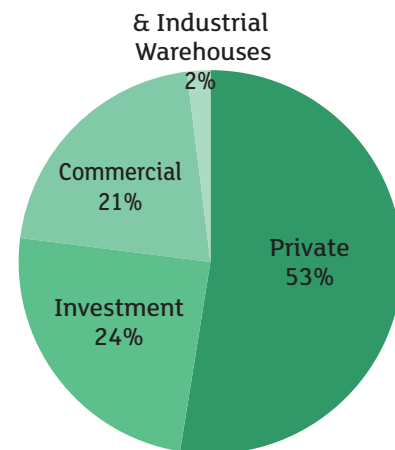


Figure 2 Distribution of Real Estate Transactions Share(Sector wise)/ Total Real estate Transactions Value Q4 2017



Source: Ministry of Justice – Kuwait Finance House

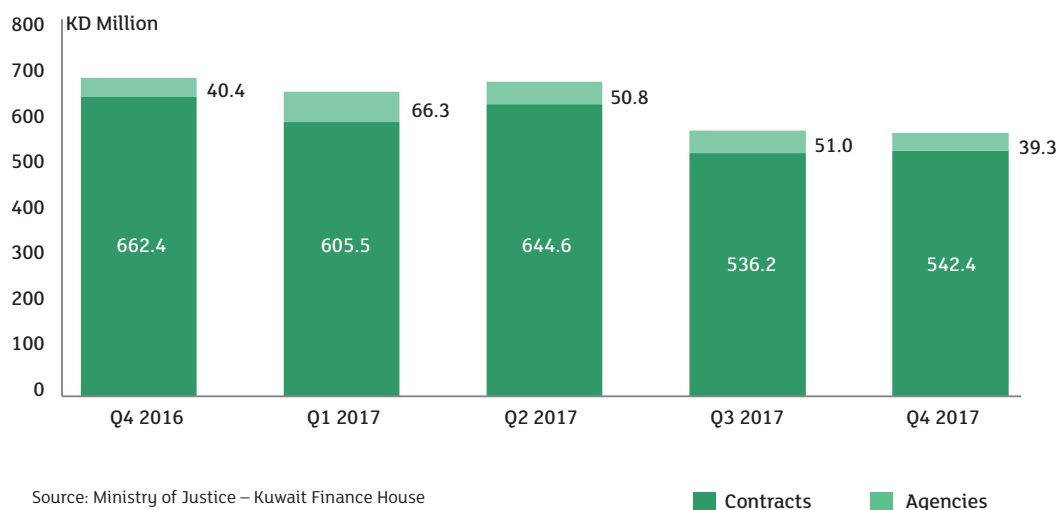
Real Estate Sales Trends during Q4

Real estate sales value reached KD 582 Million in Q4 as per the indicators of the Real estate Registration & Authentication Dept. – Ministry of Justice. Sales declined by 1% compared to Q3 in which sales declined by 15.6%. Meanwhile, sales value declined in investment sector. Annual changes are still fluctuating while real estate sector sales have recorded an annual decline in Q4 by 17%. The ascending trend for the annual change in value has stopped.

Private residence sector share reached 53% of the sector sales in Q4. Meanwhile, investment sector sales reached 24% of the real estate sales. Meanwhile, commercial sector represented 21% and sales of handcraft and industrial sector reached 2% of the value of real estate sales in Q4 2017.

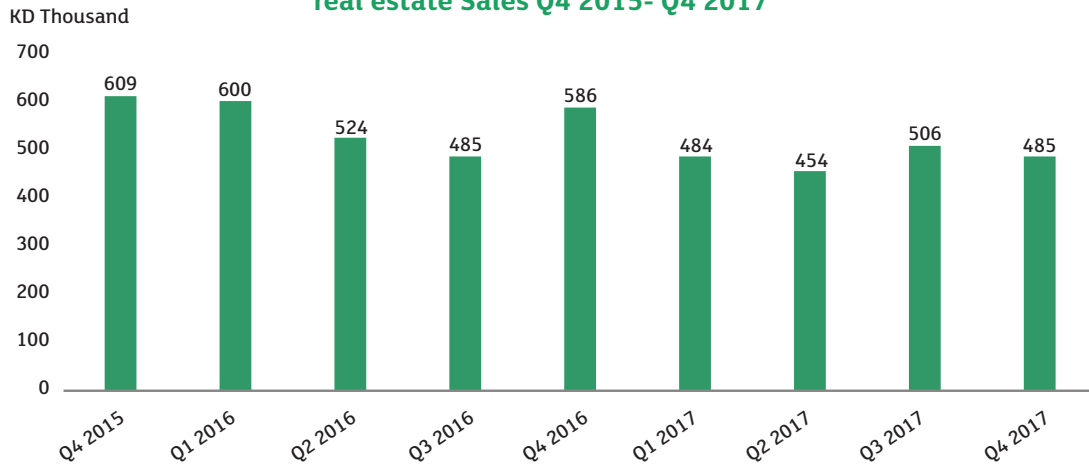
Real estate sales (contracts) approximated KD 542 Million in Q4 i.e. a decline by 1% compared to Q3 2017 and less by 18% compared to Q4 last year. Real estate sales (agencies) declined to reach KD 39 Million in Q4 i.e. less by 23 of its value in Q3. However, it has increased significantly by 52% on annual basis.

Figure (3) Development on total Real Estate Sales value Q4 2016- Q4 2017



Average real estate transaction value reached KD 485 Thousand in Q4 2017, thus recording a slight increase although it has declined by 4.2% compared to Q3. Meanwhile, average transaction value declined by 17% on annual basis. The number of transactions increased in Q4 to reach 1,199 transactions i.e. an increase by 3.4% on quarterly basis. The number of transactions stabilized on annual basis, thus maintaining its ascending trend in the annual change in the number of transactions.

Figure (4) Development on Average Transaction value/ total real estate Sales Q4 2015- Q4 2017

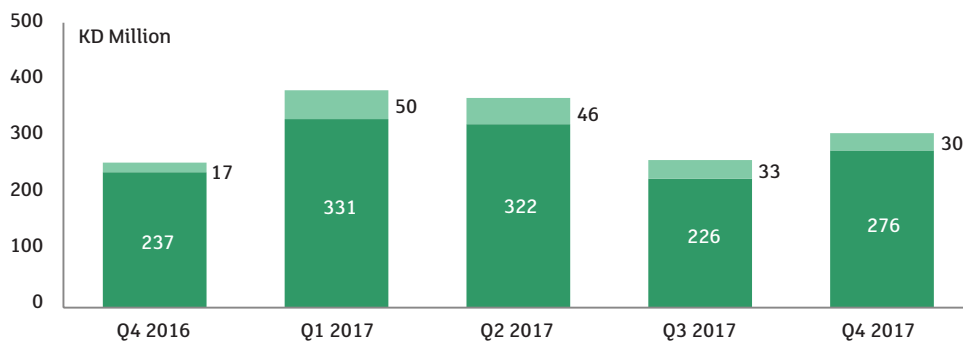


Source: Ministry of Justice – Kuwait Finance House

Private Residence Trends

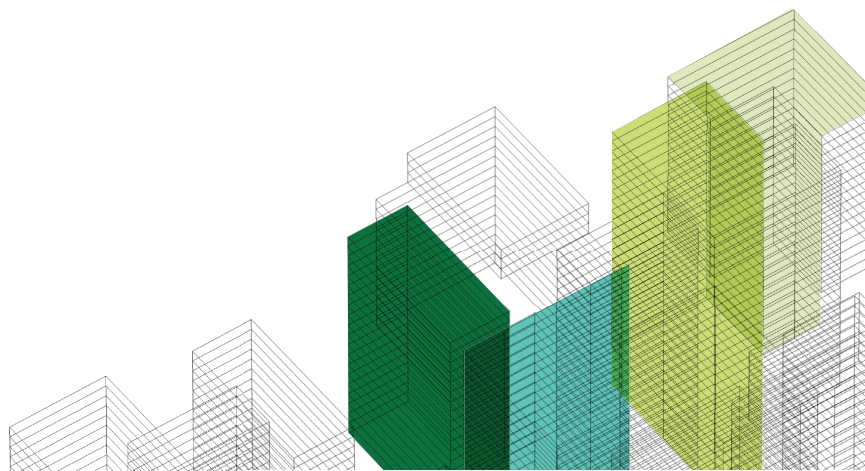
Private residence sales increased to reach KD 306 Million in Q4 i.e. an increase by 18% compared to Q3 which has recorded a significant decline by 30%. Accordingly, fluctuation has continued in the changes of sales in the residential sector on quarterly basis. Sector sales increased by 20% in Q4 and the sector is still recording annual increases since Q1 2017. There is a clear ascending trend in the annual change ratio since the last two years in this sector.

Figure (5) Development on private residence Real Estate sales Q4 2016 - Q4 2017



Source: Ministry of Justice – Kuwait Finance House

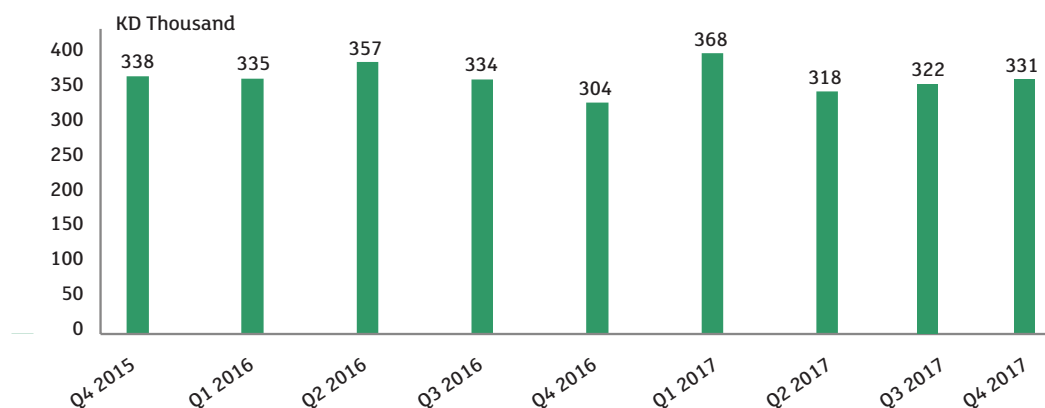
■ Contracts ■ Agencies



Average transaction value of private residence increased to reach KD 331 Thousand in Q4 this year i.e. an increase by 3% compared to Q3 and still continuing its ascending trend since the beginning of 2017. Accordingly, average transaction value in this sector has recorded an increase by 9% on annual basis and still recording quarterly change ratios. However, these ratios are taking the ascending trend on annual basis.

The number of transactions in private residence sector increased to reach 922 transactions as at the end of Q4, marking a significant increase by 15% on quarterly basis. The number of transactions increased in this sector by more than 10% on annual basis.

**Figure (6) Progress on average transaction value/
Private residence transactions Q4 2015 - Q4 2017**



Source: Ministry of Justice – Kuwait Finance House

Investment Real Estate Trends

Investment real estate sales value approximated KD 142 Million in Q4 i.e. the lowest level recorded since reaching its peak in 2014. Sales in this sector are still recording decline ratios on quarterly basis for the last three years, bearing in mind that they have declined largely in Q4 by 20% compared to a decline by 3% in Q3. Quarterly changes in the investment sector sales are still fluctuating. Annual changes in investment sectors sales value are still improving although they have recorded a decline by 30% after the only increase in Q3 2017 during the last three years.

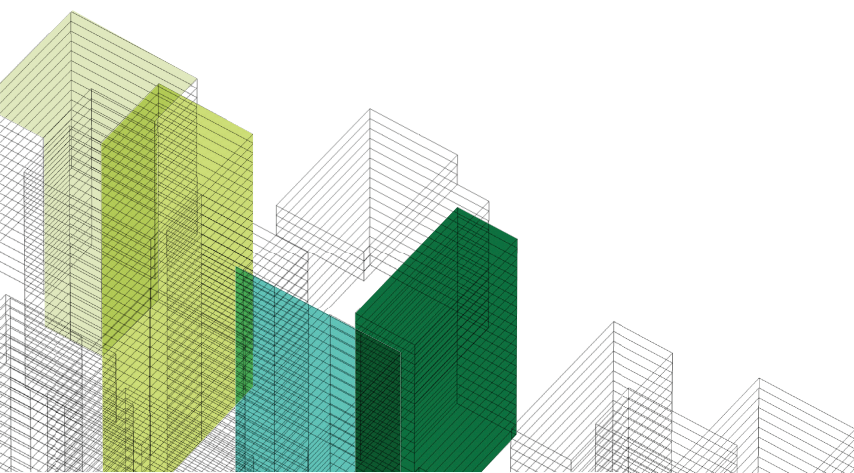
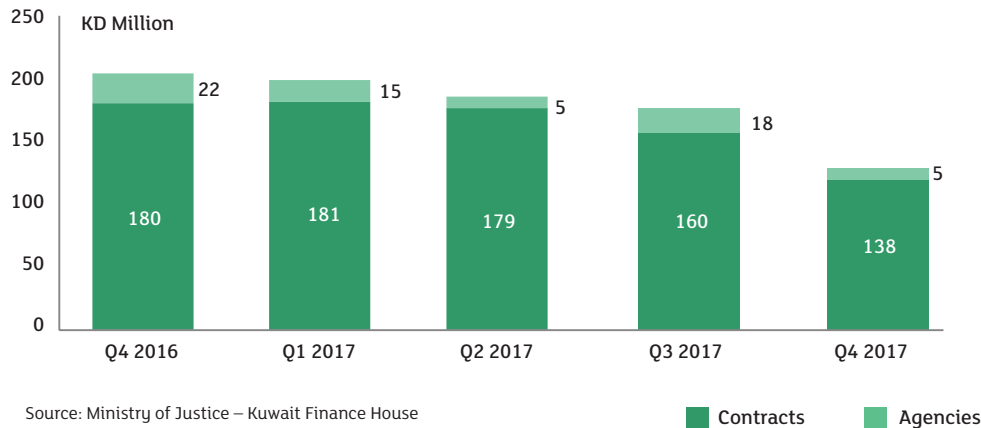
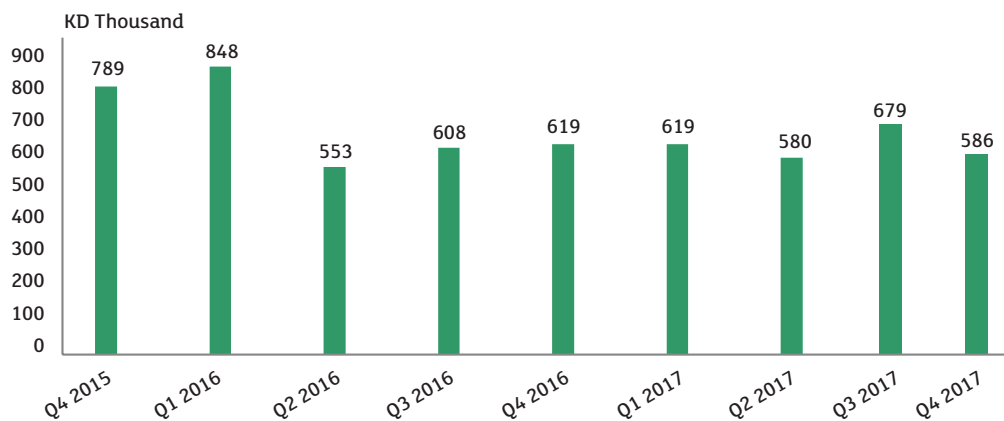


Figure (7) Progress on Investment Real Estate Transactions Value Q4 2016 - Q4 2017



Investment real estate average transaction value increased to reach KD 586 Thousand in Q4, thus recording the second decline in 2017. The ascending trend which this sector has started since the beginning of 2016 has stopped. Average transaction value has declined by 14% on quarterly basis and 5% on annual basis. The number of transactions in investment real estate sector declined to reach 243 transactions in Q4 i.e. a decline by 7.6% compared to Q3. The number of transactions in this sector continued its decline on annual basis to approximate 26%.

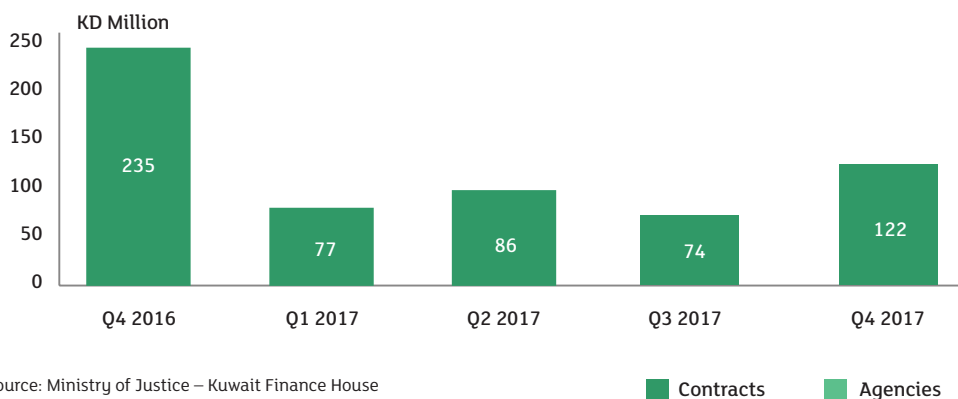
Figure (8) Progress on Average Transaction Value/ Investment Real Estate Sale Value Q4 2015 - Q4 2017



Commercial Real Estate Trends

Commercial real estate sales value reached KD 122 Million in Q4 compared to KD 74 Million in Q3. It is noticed that change ratios of commercial sector sales are fluctuating as they recorded in Q4 nearly 66% compared to Q3 which has recorded an increase by 14.6% on quarterly basis. Despite the remarkable performance in Q4 for the sector sales yet the value has declined significantly by 44% on annual basis. Fluctuation has continued in the annual change ratios of this sector.

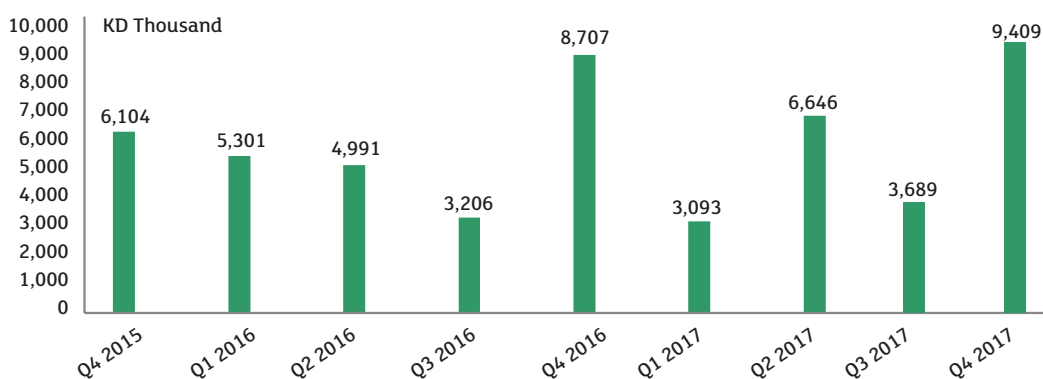
Figure (9) Progress on Commercial Real Estate Transaction Value Q4 2016 - Q4 2017



Average transaction value in commercial real estate sector exceeded KD 9.4 Million, thus reaching a record level in more than 5 years compared to KD 3.7 Million in Q3. However, average transaction value is still fluctuating. Despite the significant performance for this index in Q4 i.e. three times the value in Q3 yet the average transaction value in this sector increased by 8% on annual basis.

The number of transactions in commercial real estate sector declined to reach 13 transactions in Q4 i.e. a decline by 35% on quarterly basis. Accordingly, it has declined by 52% on annual basis.

Figure (10) Progress on average transaction value/ Commercial Real Estate transactions Q4-2015 - Q4-2017

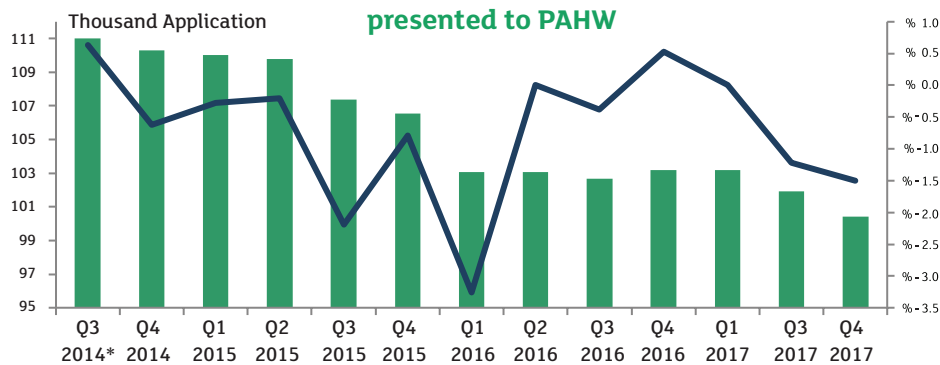


Second: Residential Projects

The Public Authority for Housing Welfare (PAHW) is executing several projects in the new cities according to the approved time schedule of the current development plan 2015/2016 – 2019/2020. The State of Kuwait aims to be a commercial and financial hub through various announced projects and infrastructure projects executed by the ministry of public works. The authority is also executing residential projects based on very strict technical conditions placed by the authority for the execution of new residential cities. This activity shall fulfil part of the demand which comprises partially accumulated residential applications.

PAHW continues its efforts to mitigate the number of residential applications as per the latest report issued by the authority in January 2018. The authority was able to mitigate the number of applications to reach 100 thousand application (including 3,673 applicants who have not applied for the renewal of details as per the latest information issued on November 2017) i.e. a decline by 1.9% compared to the number of applications as at the end of 2017. Kuwait is still continuing its plan to provide and distribute residential units and lots to citizens. PAHW has succeeded in distributing more than 1,448 units covering an area of 400 m2 each in South Khaitan as per the distribution plan 2017/2018 as it distributed 335 units in November being part of the 17th distribution and 1,113 units in December as part of the distributions 18 – 21 which the authority announced. The Authority plans during Q1 2018 to distribute 3,260 units of 400 M2 each in the residential project South Abdullah Al-Mubarak.

Figure (11) Progress on residential applications presented to PAHW



Source: Accumulated Residential Applications, PAHW – KFH.

■ Application Volume ■ Application Change Ratio - Right

The residential projects executed by the PAHW during Q4 2017 include the construction projects of public buildings, services and plots in 4 residential cities approximating KD 337 Million which represents 37.2% of the authority's project costs. The authority has actually managed to deliver some of the units in Abu-Halifa Residential project and West Abdullah Mubarak city. Some other projects were executed on time as witnessed in Jaber Al-Ahmed city Project where completion percentage has exceeded the contracted completion percentage in some other projects.

The authority is following up the execution of public building projects in the new residential cities and certain other cities for 10 projects amounting more than KD 174 Million and representing a share approximating 19.2% of the value of the authority projects including construction and maintenance of public buildings at Wafra area amounting KD 135 Million. Time schedule of some projects is still under processing. These projects amount KD 49 Million. These ten projects include construction and maintenance works of public buildings at Sabah Al-Ahmed Area amounting KD 51.3 Million including KD 13.4 Million worth projects time schedule of which is under approval.

Concerning main roads projects and sundry services the PAHW is executing projects which represent 43.6% of the value of the PAHW projects i.e. a value of KD 394.3 Million for 16 projects including road construction and maintenance projects and infrastructure networks at South Mutlaa Residential Project, approximating KD 288 Million i.e. a completion ratio exceeding the determined hand over schedule in 2017, the PAHW designs also installation and maintenance projects of main power stations which shall be delivered e.g. Residential Wafra Expansion Project. The value of these projects approximated KD 47 Million. Some other projects are still in their initial stages e.g. West Abdullah Al-Mubarak city approximating KD 38 Million including projects amounting KD 5.7 Million for which time schedules are under processing.

Accordingly, total projects executed by PAHW exceeds KD 905 Million being the value of projects in several cities and other projects under planning and designing and other future projects which the authority intends to execute in the new residential cities. The authority aims to design residential projects in 6 different areas comprising more than 53 thousand residential units of 400 m2 area each as in South Sabah Al-Ahmed Area which is located 70 km away from the capital governorate, South Saad Al-Abdullah city which is located 27 km and south Abdullah Al-Mubarak which is located at a distance of 16 km, in addition to Khaitan area and East Taimaa area which is located in the middle of Jahra governorate. It also includes low cost residences in the western area of Kuwait 45 km from capital and 15 km from Jahraa governorate

There are other projects also which are still under execution to deliver 39 thousand units of 400 M2 area each. These units include 900 flats covering an area of 385 M2 each. Such projects are distributed in various residential cities including Wafra expansion project and Wafra current project which comprises 600 m2 units, Jaber Al-Ahmed city which 22 km far from the capital, south Mutlaa, Sabah Al-Ahmed city, North West Sulaibikhat as well as west Abdullah Al-Mubarak city.

The Authority plans to execute several future projects aiming to provide around 140 residential units covering an area of 400 M2 each e.g. Sabriya city which is located 60 km North Country from capital. The city comprises more than 52 thousands residential units. Also included is Khairan city which is 80 km far from capital and comprises 36 thousand residential units, Nawaf Al-Ahmed city which is 110 km far from capital and comprises 52 thousand units covering an area of 400 m2 each.

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

Projects for Houses, Plots, Services, and Affiliated Public Buildings

#	Area	Contract Value Million KD	Actual Completion %	
			Actual	Contractual
1	Abu-Halifa Residential Project	2.2	100	100
2	West Abdullah Al-Mubarak city	46	100	100
3	Jaber Al-Ahmed City	73	*14.6	27.3
4	South Mutlaa	215.8	7.8	6.6
Total Cost		KD 336.9 Million		

* Delayed projects

5	Sabah Al-Ahmed City	36.4	100	84.6
6	Existing Wafra Project	21.2	100	74.6
7	Sabah Al-Ahmed City	1.5	43.6	12.5
8	Mina Abdullah	2.2	85.4	25.9
9	Wafra	23.7	9.2	4.5
10	Sabah Al-Ahmed City	13.4	Time program under process	20
11	Jaber Al-Ahmed City	8.2	*1.9	4.4
12	Wafra	24.6	Time program under process	Not started yet
13	Wafra	14.4		0.6
14	West Abdullah Al-Mubarak City	28.5		Not started yet
Total Cost		174.1 million		

* Delayed projects

15	Sabah Al Ahmad City	46.6	100	97.1
16	Jaber Al Ahmad City	0.979	100	98
17	Jaber Al-Ahmed City	1	100	100
18	South Mutlaa	288	*11.9	14.7
19	Sabah Al-Ahmed City	1.5	100	92
20	Sabah Al-Ahmed City	1.4	87.2	77.2
21	West Abdullah Al-Mubarak City	16.2	*35.8	41.9
22	Sabah Al-Ahmed City	1.2	*46.4	66
23	Abu-Halifa Residential City	0.188	75.3	71.2
24	Sabah Al-Ahmed City	0.424	*39.2	41
25	West Abdullah Al-Mubarak City	18.5	*3.5	10
26	Jaber Al-Ahmed City	10.4	*5.6	19
27	West Abdullah Al-Mubarak City	5.7	Time program under process	Not started yet
28	Wafra	0.366	*18.9	51
29	South Abdullah Al-Mubarak	1.6	Time program under process	Not started yet
30	Wafra	0.148	Time program under process	35.4
Total Cost		KD 394.3 million		
Total Cost of PAHW Projects		KD 905.4 million		

* Delayed projects

Source: List of Projects of the Public Authority for Housing Welfare (PAHW) – Jab 2018 (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 stabilized at KD 600 in Q4 i.e. a decline not exceeding 1% compared to Q3 2017. This ratio was the lowest decline ratio at all governorates level in 2017 and 2016 which means that decline ratios are still improving. Accordingly, prices have declined by 4.6% on annual basis in Q4. The decline witnessed in prices for the last few quarters still continues.

Prices in Governorate capital have declined slightly on quarterly basis. However, prices in other governorates are still recording larger declines on quarterly basis.

Farwaniya governorate recorded the highest decline followed by Jahra and Ahmadi. Meanwhile, prices stabilized relatively in Hawalli governorate and Mubarak Al-Kabeer recorded a slight increase in prices. Accordingly, prices have declined in Q4 2017 on annual basis while decline ratios recorded in all governorates have improved. Prices declined in Hawalli governorate on annual basis by 3% which is the lowest among all governorates. Capital governorate recorded the highest decline in prices reaching 7% on annual basis in Q4 2017.

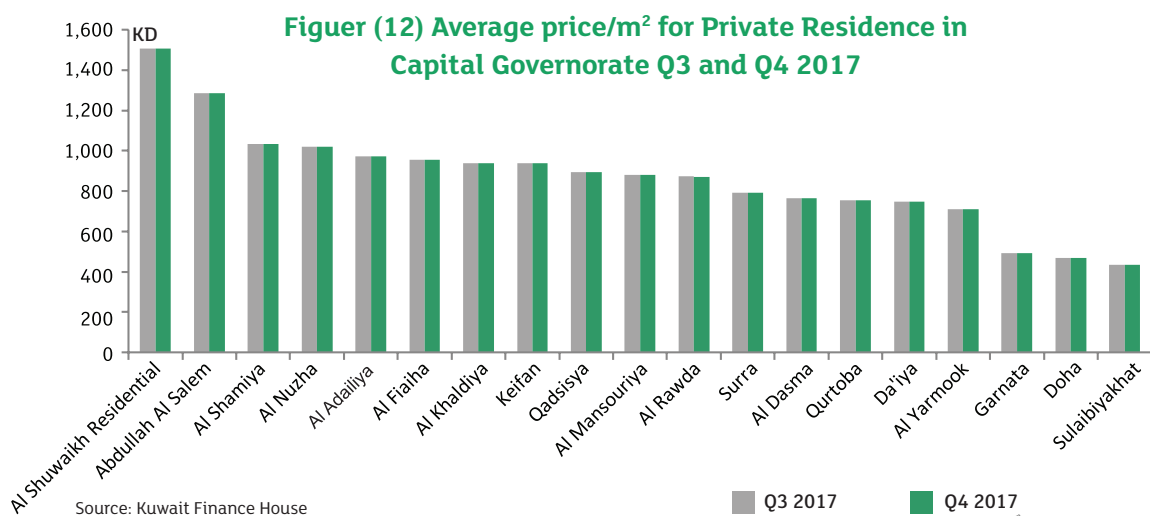
Capital Governorate

Average price per square meter in private residence sector at Capital governorate recorded KD 828 in Quarters 4 i.e. a decline by 0.5% compared to average price which has recorded KD 832 in Q3. Accordingly, average price per meter has declined by 7.1% in Q4 on annual basis.

Average price per square meter stabilized in most of capital governorate areas e.g. highest price area in Shuwaikh residential area in which average price per square meter is still higher than KD 1500 while prices declined slightly in the next price area Abdullah Al-Salem District where prices have exceeded KD 1,300/- . Prices stabilized remarkably in most of the sites in the area except some internal places which have declined by 1.5%. Prices stabilized at Shamiya and Nuzha areas at little higher than KD 1,000 per square meter in Q4 2017.

Average price per square meter stabilized in areas where price ranged between KD 800 – 900 namely Khaldiya, followed by Edailiya and Faihaa. Prices stabilized also in Kaifan, Mansouriya and Qadsiya while they declined slightly in Rawda which was an exception at the governorate areas level.

Prices stabilized in most of the areas where price per meter ranged KD 700 – 800 e.g. Qurtuba are while prices declined slightly in Dasma. Prices declined in Daeya area by less than 0.5%. Prices did not witness any change in Yarouk area compared to Q3. Average price per square meter stabilized in the lowest price area in Q4 at KD 500 e.g. existing houses in Doha, Ghernata and Sulaibikhat. Prices declined also by 3.9% in the lowest price private residence areas in Capital governorate in Q4 e.g. north west Sulaibikhat area.



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 Q4 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	600,000	700,000	1,200	1,400	1,300
	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				991,667	1,150,000	1,186	1,378	1,282
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 stabilized at KD 809 in Q4 compare to same level recorded in Q3. Prices seem to be stable for quite some time while decline ratios continue to improve on quarterly basis for private residences in the governorate. Decline ratio has improved on annual basis as it recorded 2.9% in Q4. This ratio is much better than the annual decline witnessed in the preceding quarter at the end of Q4 2016 which has reached 12.7%.

Average price per square meter stabilized in most of the governorate areas. Prices in Al-Bedaa area recorded the highest level in the governorate as it stabilized at KD 1200 in Q4. Prices stabilized in west Mishrif and Shaab areas at KD 850 while it reached little less than that in Siddique area which was one of the areas that has recorded a slight decline compared to the prices in Q3 2017 not exceeding 0.2%.

Average price per square meter declined slightly in areas where price per meter ranged between KD 800 – KD 850 e.g. Salaam, Hitteen and Shuhadaa areas in Q4 by not more than 0.2% compared to the preceding quarter. Prices declined slightly also in Zahraa area. However, average price per square meter declined in Bayaan area compared to price levels in other governorate areas i.e. more than KD 700, thus stabilizing remarkably compared to the prices in the area in Q3 2017.

Prices in average price areas ranged between KD 650 – KD 700 including Mishrif area which was one of the areas to record stability in prices in Q4 and Q3. Average price per meter stabilized in Jabriya area and Rumaithiya areas which have recorded remarkable stability in prices regarding private residence. Prices in Salwa did not witness any change as they are considered as the lowest prices in the governorate in Q4 2017.

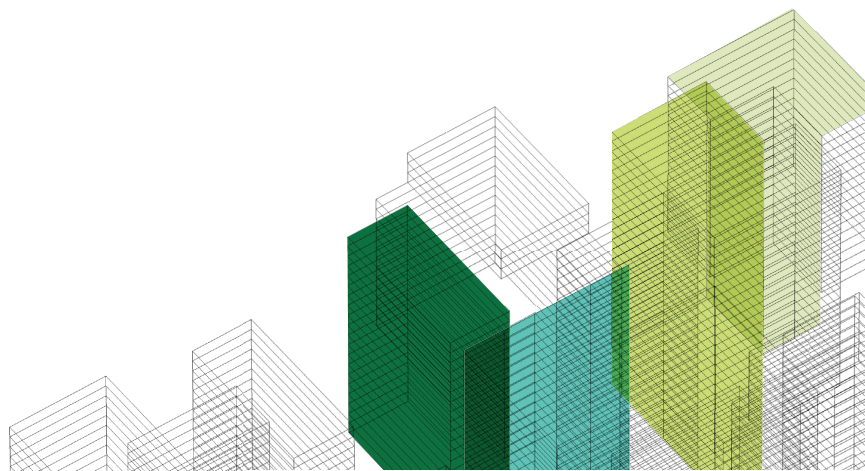
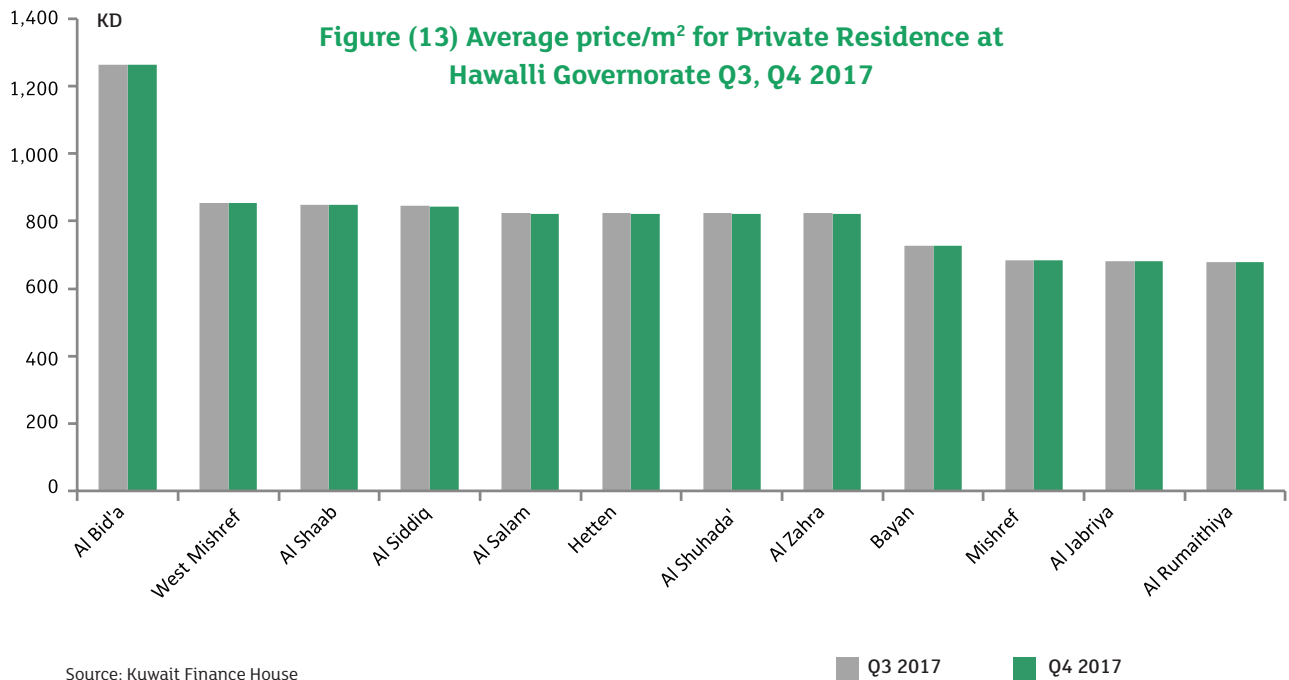


Table (3): Residential Plot Prices at Hawalli Governorate

Region	Area m ²	Building %	Street	Land Market Value (KD)		Market Value / m ² (KD)		Average Price / m ² Q4 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
Rumaihiya	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%	Aqsa	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	290,000	350,000	725	875	800
	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				337,500	397,500	889	889	821
Hitteen	400	210%	Internal	290,000	350,000	738	875	800
	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				337,500	397,500	754	889	821
Shuhadaa	400	210%	Internal	290,000	350,000	725	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				337,500	397,500	754	889	821

Source: Kuwait Finance House

Farwaniya Governorate

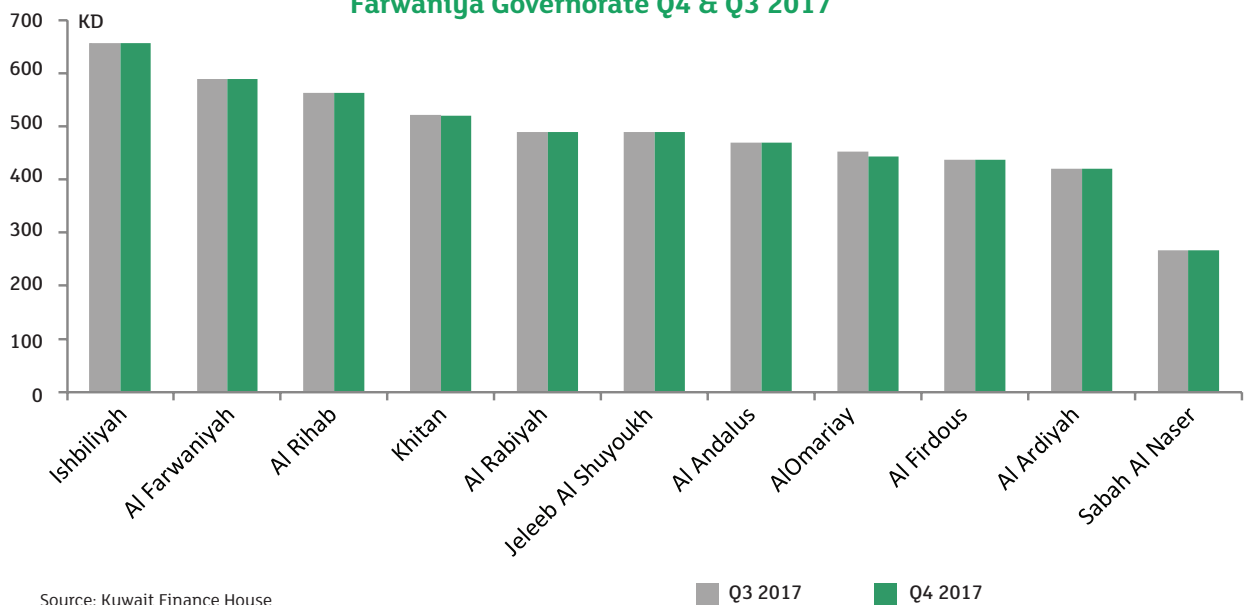
Average price per square meter reached KD 488 in Farwaniya governorate in Q4 2017, i.e. a decline by 0.6% compared to Q3. Prices are taking the descending trend. This governorate is one of the few governorates which has recorded the highest decline among governorates in Q4 on quarterly basis. However, the decline ratio of prices recorded in the governorate is improving. Meanwhile, prices declined in the governorate on annual basis by 5.2% in Q4 2017. It has also been noticed that the ratios have improved compared to the annual decline witnessed in the preceding quarters thus reaching 17.3% in Q4 2016.

Prices did not witness any change at the end of Q4 in most of Farwaniya governorate areas compared to Q3 2017. Prices stabilized in Ishbiliya which is considered as the highest price area in the governorate as average price per meter reached more than KD 650. Prices stabilized also in Farwaniya area at less than KD 600 while it recorded little more than KD 550/- followed by Khaitan in which prices stabilized as well.

Prices ranged between KD 450 – 500 in areas that has an average price. Prices declined in main locations covering 1,000 M2 e.g. Rabiya area, by 13.3% while they declined in internal sites of the same area by 1.3%. Prices stabilized in some other places of the area. Also, prices stabilized in Jelaib Al-Shoyoukh and Andalus areas.

Prices stabilized in low price areas where price per meter ranged between KD 400 – 450 e.g. Omariya area which is considered as the highest price area in this category. Prices stabilized generally in this category. Prices stabilized also in Fardoas and Ardiya areas. Prices stabilized in the lowest price areas in the governorate e.g. private residence areas including Sabah Al-Naser area in Q4 2017 compared to the preceding quarter.

Figure (14) Average price/m² for Private Residence at Farwaniya Governorate Q4 & Q3 2017



Source: Kuwait Finance House

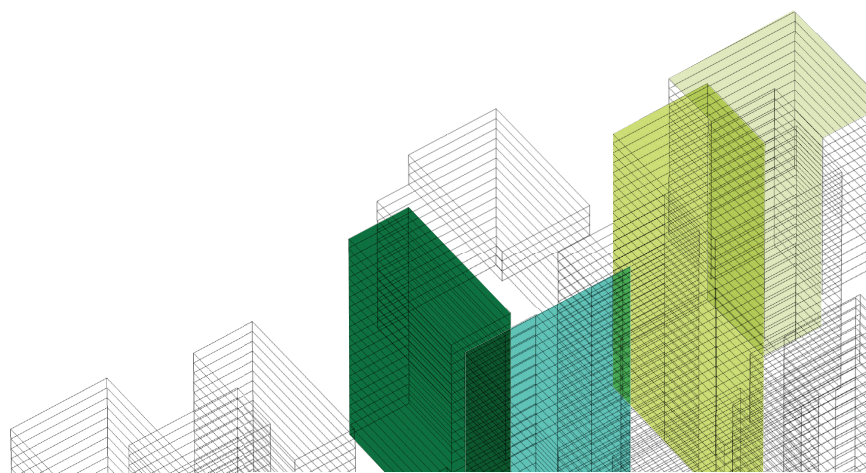


Table (4): Residential Plot Prices at Farwaniya Governorate

Region	Area m ²	Building %	Street	Land Market Value (KD)		Market Value / m ² (KD)		Average Price / m ² Q4 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				200,500	240,000	313	373	343
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 %	Faisal Highway	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

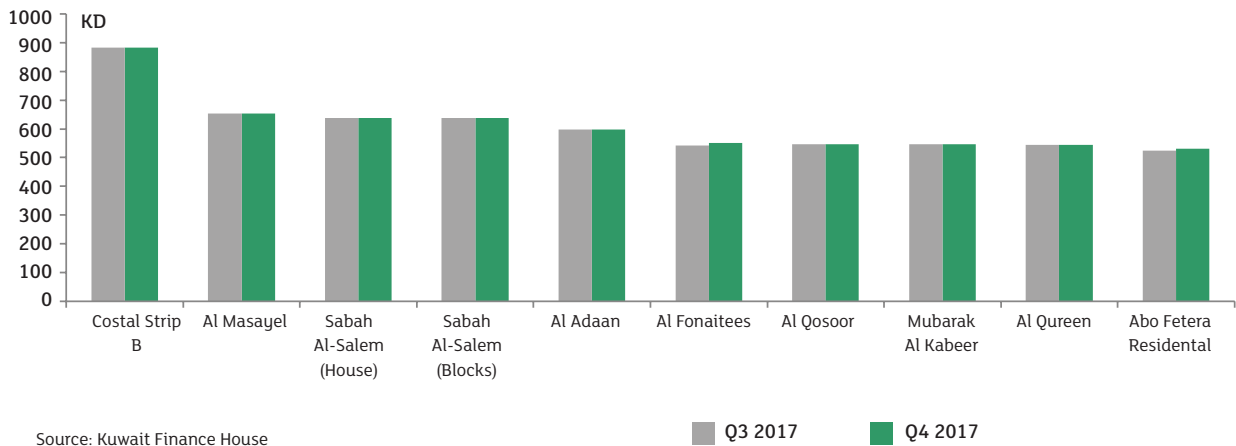
Average price per square meter at Mubarak Al-Kabeer governorate reached KD 613 in Q4 i.e. a slight increase which does not exceed 0.5% compared to Q3. Prices continue their stability since the beginning of 2017. Quarterly change continued its improvement as price per square meter recorded a decline by 3.6% in Q4 2016. Average price per meter decline on annual basis by 4.4% i.e. an improvement in the decline ratios in 2017 on annual basis compared to the decline ratios in 2016.

Average price per meter did not witness any change at the end of Q4 in most of the governorate areas compared to the preceding quarter 2017. Prices stabilized in the highest price areas of the coast strip at KD 880 in Q4. Prices stabilized also in Masayel area at KD 650 which is the lowest among governorate areas. Prices stabilized also in Sabah Al-Salem area in existing government houses and plots at KD 640 per square meter.

Prices are still stable at Addan areal at KD 600 per square meter. Prices did not witness any change in Qosour and Mubarak Al-Kabeer areas compared to Q3 as they stabilized at KD 500 per square meter in Q4. Average price per square meter increased in Funaites area by 1.4% compared to Q3 2017 to reach KD 550 in Q4.

Prices stabilized in the lowest price areas e.g. Al-Qurain area at little more than KD 540 per square meter. Prices improved in Abu-Fatira residential area in Q4 2017 by 1.5% compared to the preceding quarter.

Figure (15) Average price/m² for the Private Residence in Mubarak Al Kabeer Governorate Q3, Q4 2017

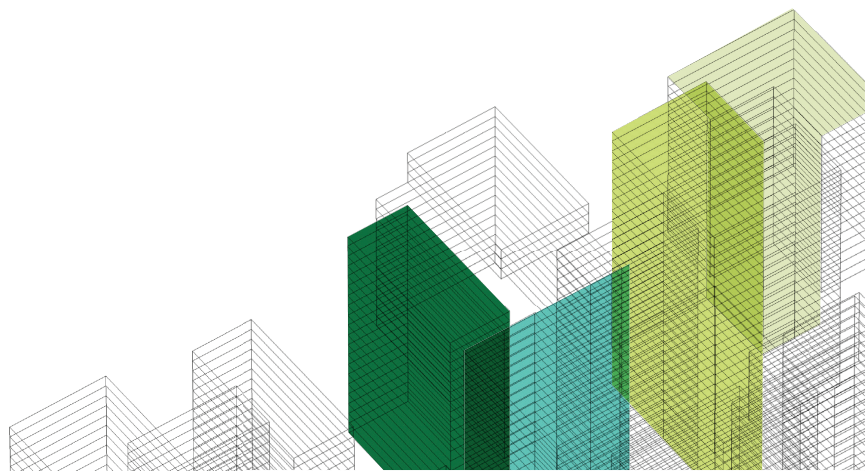


Source: Kuwait Finance House

Table (5): 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 Q4 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	190,000	230,000	475	575	525
	400	210 %	Main	220,000	260,000	550	650	600
General Average in the Area				216,250	258,750	484	579	531
Funaitees	400	210 %	Main	190,000	225,000	475	563	519
	500	210 %	Internal	215,000	255,000	430	510	470
General Average in the Area				225,000	267,500	504	598	551
Addan	400	210 %	Internal	210,000	250,000	525	625	575
	400	210 %	Main	240,000	260,000	600	650	625
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 479 in Q4 2017, thus recording a slight decline not exceeding 0.5% compared to Q3. Prices stabilized in most of the governorate areas during Q4 and Q3 2017. On annual basis, the decline ratio in price per meter improved significantly, thus recording 3% in Q4 compared to more than three times this ratios in the same period 2016.

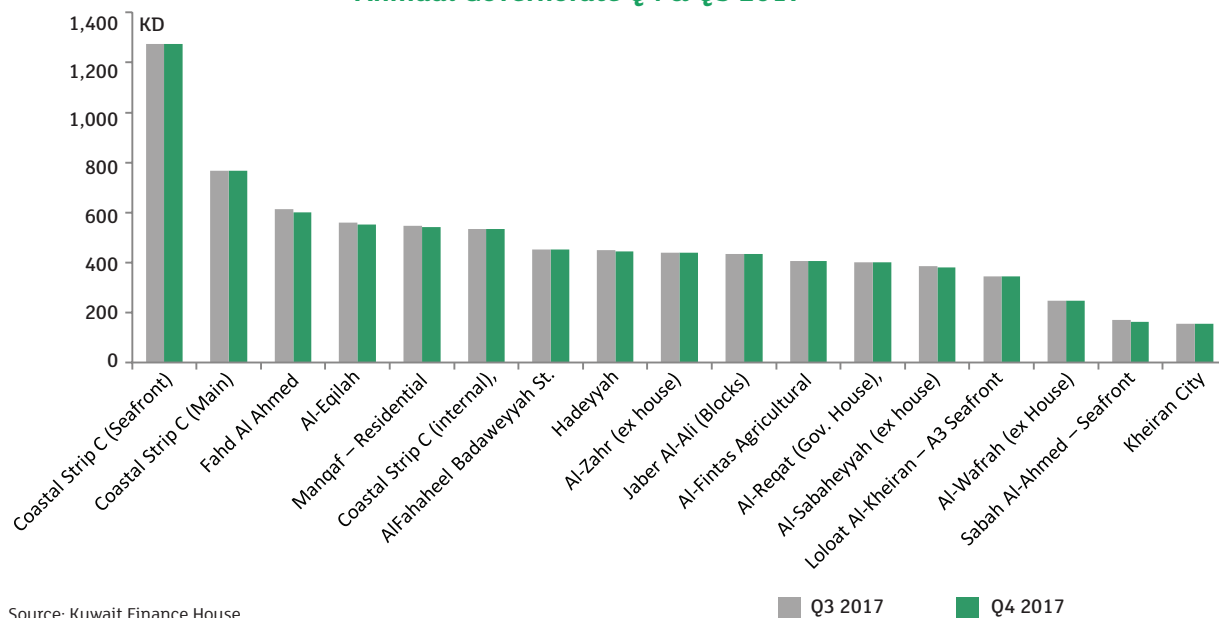
Average price per square meter did not witness any change in most of the governorate areas except some areas which have recorded a decline compared to Q3. Average price per square meter stabilized during Q4 at KD 1200 as witnessed in the coast southern coast strip which is considered as one of the highest price areas. Average price per meter stabilized at KD 800 in the coast strip area – main southern locations. Prices declined in Fahad Al-Ahmed area by 2% thus recording KD 600 per square meter in Q4.

Price per square meter declined variably in the governorate areas and stabilized in other areas. Prices in Eqaila recorded a limited decline by 1.6% compared to Q3, thus exceeding KD 550. Prices declined in Manqaf Residential Area by 1% compared to Q3. Meanwhile, prices stabilized in the coastal strip southern internal area. Prices stabilized in most of the average price areas while they declines in some other areas in which average price per meter reached KD 450 e.g. certain places of Fahaheel area in which prices stabilized. Prices declined in Hadiya area by 1.5% while they stabilized in Dhafer, and existing houses in Jaber Al-Ali area where average price per square meter approximated KD 440 in Q4.

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 declined in several areas e.g. Sabahiya area at 1.5%. Prices stabilized in Khiran Pearl area at less than KD 350/- in Q4 2017.

Prices stabilized in the lowest price area of the governorate e.g. Wafra area at less than KD 250/- while they declined at Sabah Al-Ahmed Marine Area and Khiran residential area by 3.7% compared to Q3. Prices stabilized Khiran residential area at more than KD 150 in Q4.

Figure (16) Average price/m² for Private Residence at Ahmadi Governorate Q4 & Q3 2017



Source: Kuwait Finance House

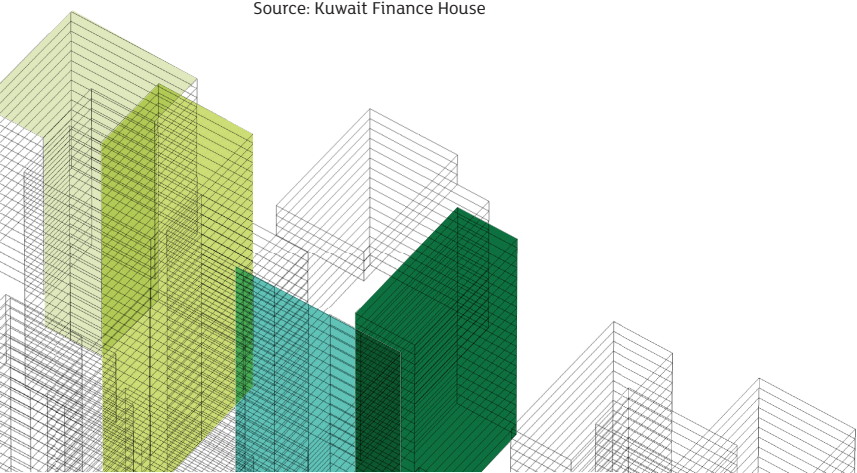


Table (6): Residential Plot Prices at Ahmadi Governorate

Region	Area m ²	Building %	Street	Land Market Value (KD)		Market Value / m ² (KD)		Average Price / m ² Q4 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	260,000	330,000	347	440	393
	210%	750	Main	340,000	400,000	453	533	493
Aqaila	210%	400	Main	220,000	270,000	550	675	613
	210%	500	Main	255,000	300,000	510	600	555
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	185,000	230,000	154	192	173
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

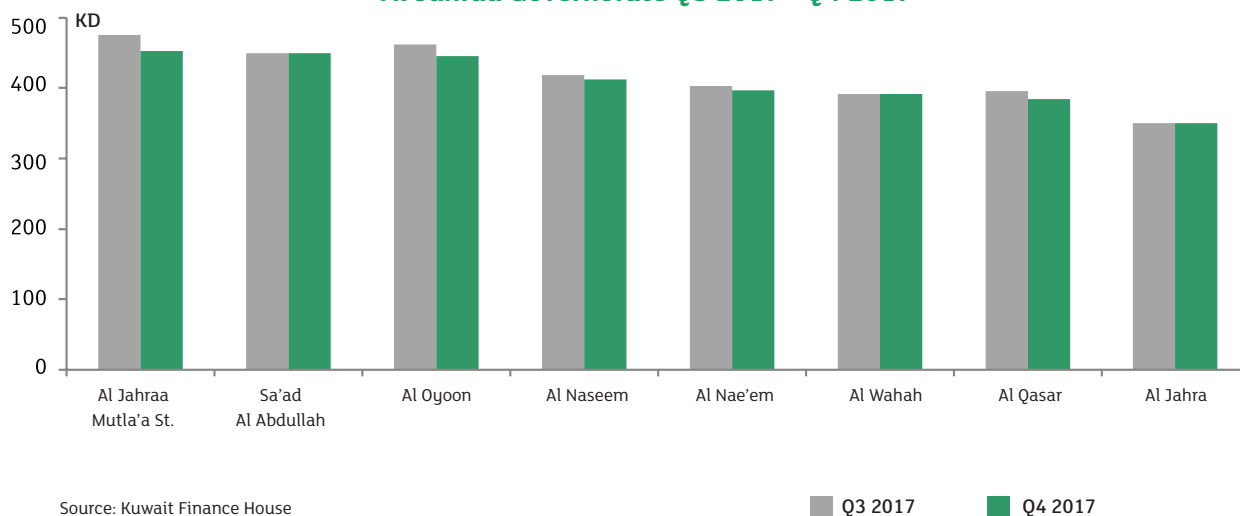
Jahra Governorate

Average price per square meter in Jahra governorate declined slightly to reach KD 405 as at the end of Q4 2017 i.e. a decline by 1.5% compared to Q3. Average price per square meter has continued its ascending trend in the governorate. Meanwhile price per meter has recorded fluctuating quarterly change ratios. Annual decline in prices has improved thus recording 3.5% in Q4 i.e. the lowest quarterly decline in 2017 & 2016.

Prices declined in the highest price residential areas e.g. certain places in Jahra areas – Mutlaa Street as at the end of Q4 by 5% following a stability for 3 preceding quarters, thus recording an average prices approximating little more than KD 450 per meter. Meanwhile, prices stabilized in Saad Al-Abdullah area while they declined in Oyoun area by 4% compared to Q3.

Prices declined in certain areas of the governorate while they stabilized in other areas. Prices declined in Al-Naseem area by 1% i.e. less than KD 420 followed by Al-Naem area where prices declined by 2% in Q4. Average price has reached less than KD 400 in Oasis area e.g. Club Street, thus declining by 2% while prices stabilized in Al-Qasr Area. Prices stabilized also in old Jahraa area which is the lowest price area, at KD 350 in Q4.

Figure (17) Average price/m² for Private Residence at Al Jahraa Governorate Q3 2017 - Q4 2017



Source: Kuwait Finance House

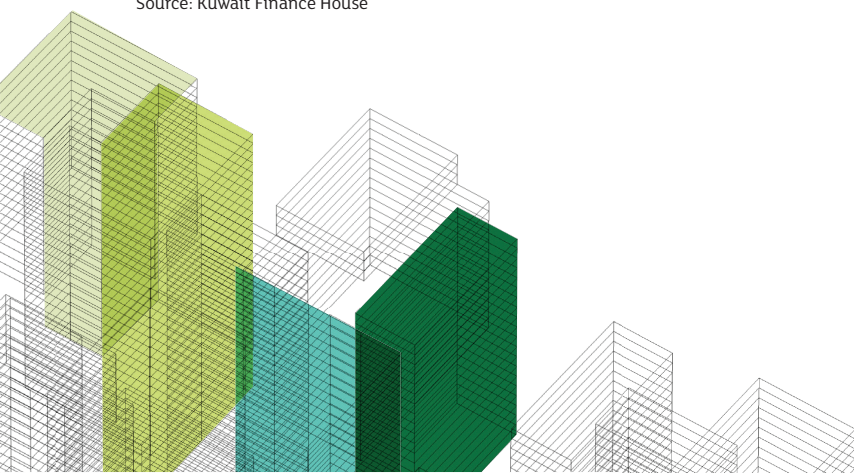
■ Q3 2017

■ Q4 2017

Table (7): Residential Plot Prices at Jahraa Governorate

Region	Area m ²	Building %	Land Market Value (KD)		Market Value / m ² (KD)		Average Price / m ² Q4 2017
			From	To	From	To	
Qasr – Club Street	1,000	210%	425,000	480,000	425	480	453
Qasr (Existing Houses)	600	210%	170,000	210,000	283	350	317
Jahraa – Mutla'a St. - Internal	1,000	210%	425,000	480,000	425	480	453
Na'eem – Plots	400	210%	125,000	170,000	313	425	369
Na'eem – (GVT House)	400	210%	140,000	200,000	350	500	425
Oyouon	297.68	Up to 800 M2	110,000	155,000	370	521	445
Al Naseem (GVT House) – Main Roads	400	210%	140,000	190,000	350	475	413
Oasis – Existing House	300	Up to 800 M2	100,000	135,000	333	450	392
Saad Al-Abdullah	400	210%	130,000	170,000	325	425	375
Qairawan	400	210%	150,000	190,000	375	475	425

Source: Kuwait Finance House



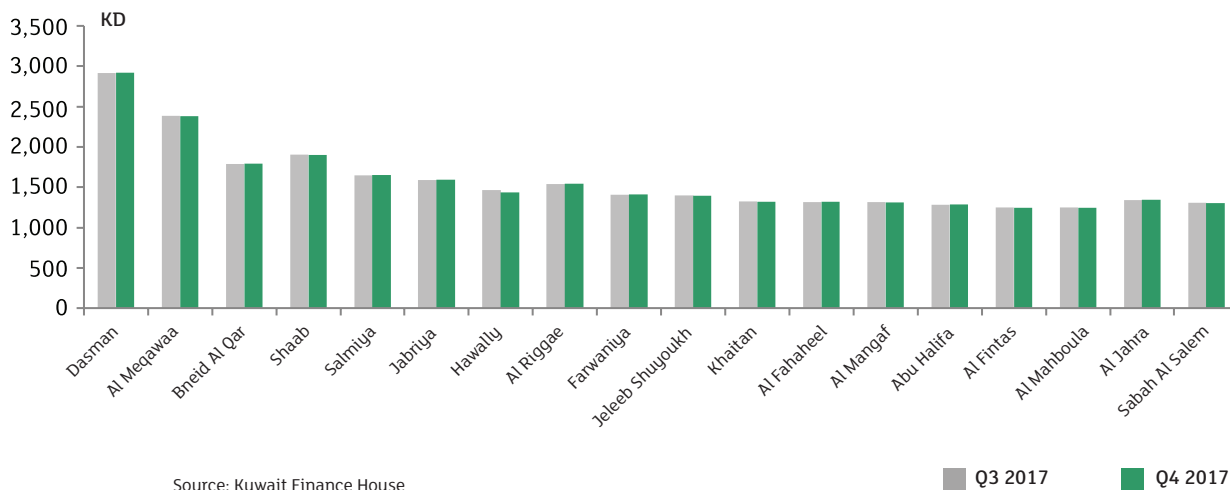
Second: Investment Land Prices

Average price per square meter of investment land stabilized in Q4 & Q3 2017 at all governorate level, thus recording KD 1,560. Prices did not witness any change in most of the governorates compared to Q3 except Hawalli governorate which has recorded a slight decline not exceeding 0.5%. Accordingly, decline ratios continue to improve on annual basis for average price in all governorates during 2017 compared to a larger decline in the preceding year. Decline ratios decreased to 1% in Q4 2017 compared to 11% as at the end of 2016.

Prices stabilized in Q4 at Capital Governorate compared to Q3. Prices declined slightly in Hawalli governorate while average price stabilized in Farwaniya governorate compared to Q3. Prices did not witness any change in Mubarak Al-Kabeer, Ahmadi and Jahra governorates for the third time respectively.

Decline ratios varied on annual basis at all governorates level. Prices stabilized in Jahra governorate as at the end of 2017 compared to Q4 2016. Prices declined in Mubarak Al-Kabeer governorate by 3% which is the highest at all governorates level. Prices declined slightly in three governorates Hawalli, Farwaniya and Ahmadi. Capital governorate has recorded the lowest decline by 1% compared to Q4 2016.

Figure (18) Average price/m² for Investment Residence properties in Kuwait Governorates Q3, Q4 2017



Capital Governorate

Concerning prices in each governorate, average price reached KD 2,360 in Capital governorate for the second quarter and still the highest among governorates. decline ratios in prices continued to improve on quarterly basis during 2017 at the governorate level compared to higher ratios for the same period 2016. The decline in price per meter has improved in 2017 compared to larger declines in 2016. Decline ratio in average price in Q4 2017 reached 1% compared to 11% during the same period 2016.

In regard to Capital governorate, prices in Dasman area are the highest in the governorate till Q4 2017. Also, it is the highest among all investment areas in other governorates as it stabilized at KD 2,900 per meter in this area. Remarkable stability was noticed in several areas including the highest price areas e.g. Dasman and other places in Arabian Gulf street. Prices stabilized also in certain places of Abdullah Al-Ahmed Street and internal sites of Dasman area.

Average price per square meter in Eastern Maquaa Area did not witness any change in Q4 2017. Prices stabilized remarkably in investment places of the area including those overlooking main streets e.g. Shuhadaa street and certain main locations where price per meter exceeds KD 2,600. Prices stabilized in other internal places covering an area of 500 M2 in Maquaa area. Prices stabilized in other places at KD 1,800 in Q4 2017.

Average price stabilized in Benaïd Al-Qar area in Q4 2017. Prices stabilized in the highest price areas overlooking Gulf Road at KD 2,900. Prices stabilized in Istiqlal Street, certain main locations and in internal areas of Benaïd Al-Qar area. Also, prices stabilized in main 1,000 M2 areas of Port Saeed Street and main locations overlooking the 1st and 2nd Ring Road.

Table (8): 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 Q4 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 1,646 in Q4 with a slight decline not exceeding 0.5%. Prices are still stable at the governorate since the beginning of 2017 with relative stability of the decline ratios recorded on quarterly basis. Annual decline in average price reached 2% in Q4 compared to an annual decline by 11% in Q4 2016 thus indicating the continued improvement of annual decline ratio during 2017 compared to the decline witnessed during the same periods 2016.

Average price per meter stabilized in most of the investment areas of the governorate including Shaab area in which prices stabilized at the highest level among all governorate areas in Q4 KD 1,900. Prices stabilized also in most of the locations in the area and certain places of Gulf road covering an area of 1,000 M2 each and which are considered as the highest price areas in Shaab. Prices stabilized also in certain internal sites and other locations of Istiqlal street.

Prices in Salmia area did not witness any change in Q4 compared to the preceding quarter. remarkable stability in prices was noticed in most of the area locations including the highest price areas and other locations overlooking Gulf road, second highest price area e.g. Amr Bin Al-Aas street and other locations where price per meter ranged between KD 1,500 – KD 1,700. 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 Q4 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 and internal places of 1,000 M2 area in Jabriya.

Hawalli area was an exception as prices declined slightly in Q4 by not more than 0.5% compared to the preceding quarter. prices declined slightly in places located at Cairo Street, Hasan Al-Basri Street and Yarmouk Street by 2.3% compared to Q3. Prices stabilized in certain internal locations of Hawalli covering an area of 500 M2 while prices declined in certain locations of Hawalli area covering an area of 1,000 M2 and 500 M2 by 2.5% and 2.3% respectively compared to Q3.

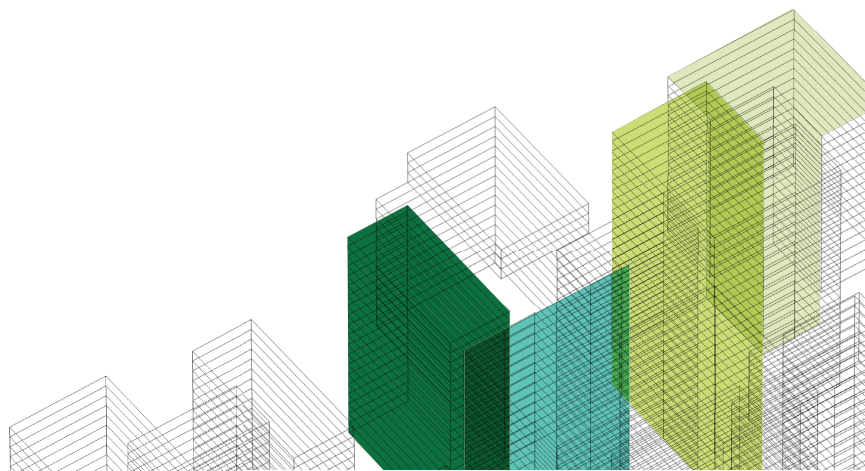
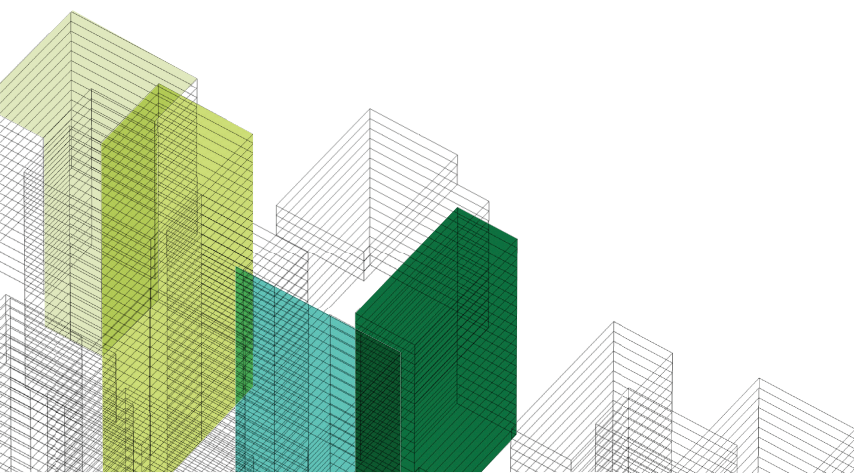


Table (9): Investment Land Prices at Hawalli Governorate

Region	Area m ²	Building %	Street	Land Market Value (KD)		Market Value / m ² (KD)		Average Price / m ² Q4 2017
				From	To	From	To	
Hawalli	750	250%	Muthana	1,000,000	1,125,000	1,333	1,500	1,417
	750	250%	Qutaiba	1,100,000	1,170,000	1,467	1,560	1,513
	750	250%	Ahmed Bin Toloun	950,000	1,125,000	1,267	1,500	1,383
	750	250%	Maghrib	1,150,000	1,200,000	1,533	1,600	1,567
	750	250%	Sharhabeel	975,000	1,125,000	1,300	1,500	1,400
	1,000	250%	Internal	1,150,000	1,350,000	1,150	1,350	1,250
General Average in the Area				1,038,333	1,163,000	1,357	1,521	1,439
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



Farwaniya Governorate

Average price per square meter stabilized in Farwaniya governorate at KD 1,417/- in Q4 compared to preceding quarters. Stability is clearly noticed since the beginning of the year. Improvement is clearly noticed in the decline ratios recorded in prices in 2017 compared to preceding year. Annual change ratios are tending to improve in 2017 thus recording a decline by 2% in Q4 2017 compared to 14% for the same period 2016.

Prices stabilized in Farwaniya 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 in Farwaniya area and in certain location overlooking airport road as well as other main places in the area. Average price stabilized in Jaleeb Al-Shoyoukh area and other locations overlooking 6th Ring Road, main locations, internal sites and certain locations with 500 M2 area. Prices stabilized also in Khaitan area main and internal streets and stabilized also in the airport road, locations leading to airport and certain internal streets.

Table (10) 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 Q4 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	625,000	750,000	1,250	1,500	1,375
General Average in the Area				908,625	1,007,500	1,322	1,473	1,397
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 meter in Mubarak Al-Kabeer governorate stabilized at KD 1,307/- in Q4 & Q3. Decline ratios which prices witnessed in the governorate continued to improve. Annual decline ratio of prices has improved to reach 3% in Q4 2017 compared to a larger annual decline by 11% in 2016.

Prices in most of the areas in Sabah Al-Salem did not witness any change in Q4 compared to Q3. Prices did not change also in main areas and other places overlooking Fahaheel road which is considered as the highest price area. Also prices stabilized in certain places overlooking 6th Ring Road and certain main and internal areas of Sabah Al-Salem area.

Table (11) 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 Q4 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 stabilized at KD 1,282/- in Q4 & Q3 and still represents the lowest price of investment areas in 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 2% in Q4 2017 compared to 11% for the same period 2016.

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.



Table (12) 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 Q4 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 Q4 2017. The decline in average price per meter stabilized in Q4 and no change was noticed compared to 2016.

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.

Table (13) 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 Q4 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 Q4 2017 at governorates level 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. Returns on investment real estates in Capital Governorate reached 7.3% while in Hawalli governorate it approximated 7.9% in Q4.

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.

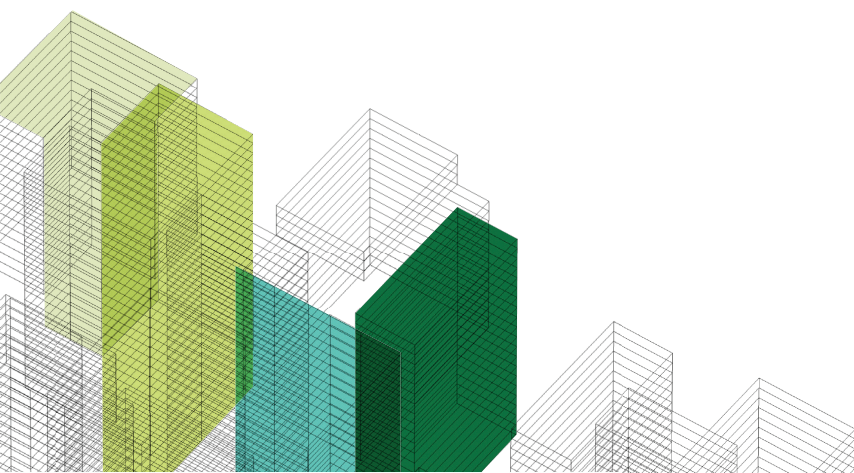


Table (14) Annual Rate of Return (ARR) on Investment Properties in Certain Areas in Kuwait

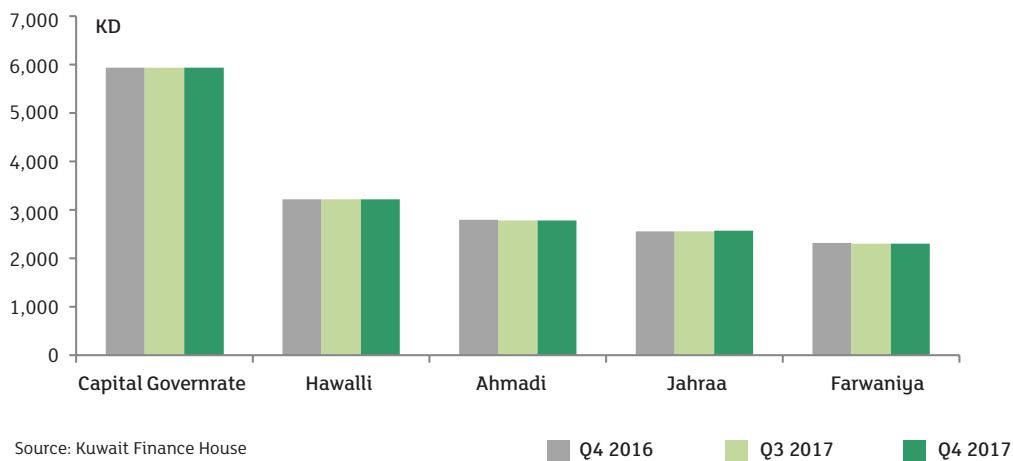
Governorate	Region	Area m ²	Building %	Site	Sale Return/Annual Real Estate Income % Q4 2017		
					From	To	Average
Capital	Bneid Al Gar	1,000	250 %	Gulf	6.50%	7.00%	6.75%
	Bneid Al Gar	1,000	250 %	Istiqlal	7.50%	7.50%	7.50%
	Eastern Maqwa	250	240 %	Internal	6.50%	7.00%	6.75%
	Dasman	1,000	400 %	Gulf	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 %	5 th 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 did not witness any change in Q4 2017 compared to Q3. Average price per square meter stabilized during the year at KD 3,360 in Q4 following a descending trend of prices during 2016. Improvements continued in annual decline ratios of average price on quarterly basis. Prices did not witness any change as at the end of 2017 compared to the end of the preceding year where prices declined by 5.7% on annual basis. This annual decline ratio continues to improve since the end of 2015. The decline ratio is still considered better when compare to the ratio recorded by both residential and investment sectors. .

Figure (19) Average price/ M2 of Commercial Real Estate at Kuwait Governorates Q4 & Q3 2017 - Q4 2016



Capital Governorate

Average price per meter at capital governorate witnessed remarkable stability since the end of 2016 as it stabilized at KD 5,943. Prices at the governorate did not witness any change in Q4 2017 compared to the same period during the preceding year, thus recording the first stability in around two years. Accordingly, annual changes are taking a clear ascending trend.

Price levels stabilized in most of the commercial real estate areas in capital governorate 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.

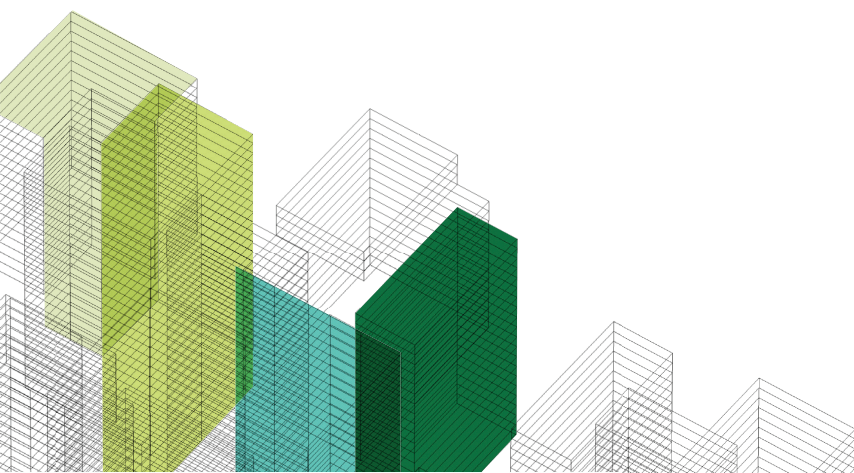


Table (15) Commercial Land Prices at Capital Governorate

Region	Building %	Street	Area m ²	Land Market Value (KD)		Market Value / m ² (KD)		Average Price / m ² Q4 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	6,250	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 at KD 3,225/- in Q3 as recorded by average price per meter as at the end of Q3 since the beginning of 2017 following the descending trend earlier. This is evidently clear in the improvement witnessed in average price per meter in the governorate which did not reach more than 0.5% as at the end of Q4 compared to 7.4% 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/- and in several places of Othman Street. Prices stabilized also at a little less than KD 3,000 in certain commercial areas of the governorate e.g. Bahrain Street.

Table (16) 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 Q4 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 stabilized in Farwaniya governorate at KD 2,312/- in Q4 & Q3 which have not witnessed any change during 2017 following the descending trend which prices took earlier. Annual decline in prices continue to reach 0.5% in Q4 compared to an annual decline 10% in Q4 2016.

Prices did not witness any changes as at the end of Q4 2017 in most of the governorate areas compared to the preceding 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.

Prices maintained their levels in Khaitan area in locations falling opposite commercial and office center. Meanwhile, prices stabilized in some places of Jaleeb AlShoyoukh 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.

Table (17) 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 Q4 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

Prices stabilized at Ahmadi governorate at KD 2,792. Prices are still maintaining their stability during the year. Quarterly decline ratio in prices is improving in the governorate. Average price declined on annual basis by not more than 0.5% thus indicating that it is improving compared to a larger decline which has reached 7.4% in Q4 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.

Table (18) 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 Q4 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 improved to reach KD 2,575 as at the end of Q4 2017 i.e. a slight increase by not more than 0.5% compared to the preceding quarter. This will be the first governorate to witness an improvement in prices ever since it started its decline series at the beginning of 2016. Accordingly, prices have improved on annual basis by 0.5% and decline ratios are still improving on annual basis compared to an annual decline 8.9% in Q4 2016.

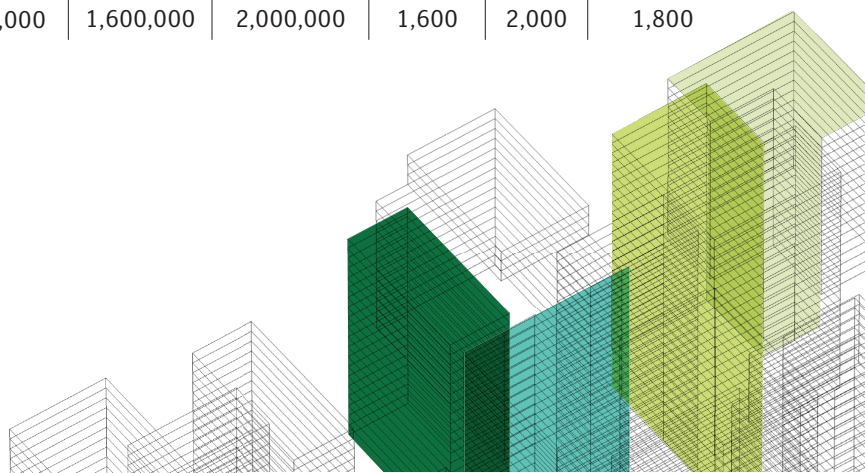
Price levels stabilized in governorate areas e.g. highest price places such as the commercial and office center in Jahra compared to Q3 2017. Prices stabilized also in places where price per square meter is less than KD 3,000/- e.g. several places in Jahra area including Marzouq Al-Met'eb Street.

Price levels in Qaisariyat area did not witness any change in Q4 compared to Q3. Average price stabilized in certain places of Jahra area including places with an area of 1,000/- M2 e.g. blocks 21 and 41.

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 Q4 2017
				From	To	From	To	
Jahraa	50%	Marzouq Al-Met'eb	1,000	2,500,000	2,900,000	2,500	2,900	2,700
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	562,500	630,000	2,500	2,800	2,650
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 Q4 2017. 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 exceeds the average return of investment real-estate in the same governorate, on the back of increased 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.

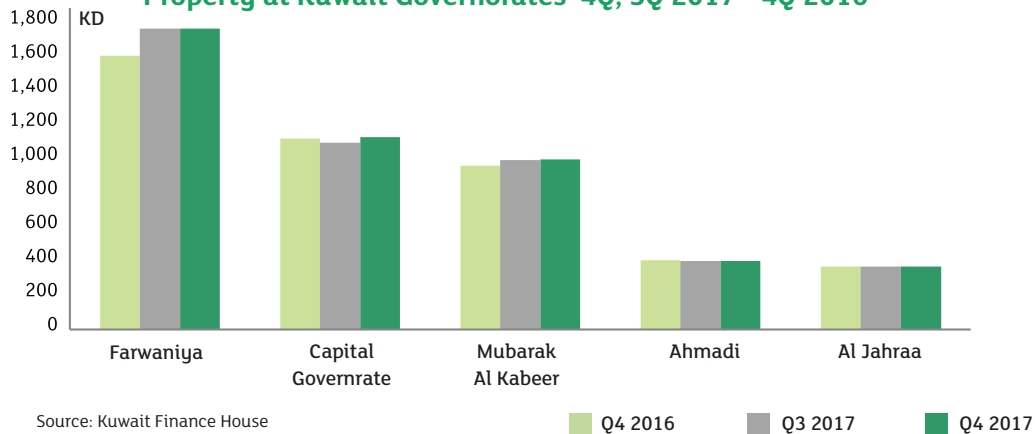
Table (20) Annual Rate of Return (ARR) on Commercial Properties in Certain Kuwait Areas

Governorate	Region	Building %	Street	Average Annual Return % Q4 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 891/- as at the end of Q4 2017 thus recording a slight improvement 1% on quarterly basis for the third time respectively. Prices stabilized in most of the industrial plots in all governorates except those located at capital governorate which have recorded a limited increase. Prices improved also in industrial plots at Ahmadi governorate by little more than 0.5% compared to Q3. Accordingly, certain prices have increased rapidly for the third time respectively to reach 4% due to the significant increase in prices at Farwaniya governorate followed by Mubarak Al-Kabeet and capital governorates. Prices stabilized in Jahra governorate while they declined slightly at Ahmadi governorate compared to Q4 2016.

Figure (20) Average Market Value/ M2 for Industrial and Handcraft Property at Kuwait Governorates 4Q, 3Q 2017 - 4Q 2016



Capital Governorate

At various governorates level, average price per square meter in capital governorate increased to reach KD 1,078 i.e. a limited increase by 2.9% compared to Q3. This is the first time where prices record an increase ratio on quarterly basis since its decline in mid 2016. Prices have stabilized relatively in 2017 and may take the ascending trend. The first annual increase was recorded at the end of Q4 by 1% as the decline has decreased on annual basis during 2017 compared to the decline by 11% recorded on annual basis in Q4 2016.

Average price has fluctuated in some industrial areas in Q4. Prices stabilized in some sites while they increased in some other areas. Prices increased in some places of Electricity Street which is considered the highest price area in Industrial Shuwaikh where price per square meter increased to reach KD 1,450 i.e. an increase by 1.7% compared to Q3. Prices increased in some other areas of Electricity Street by a higher percentage 2%. Prices increased in Decoration Street to reach 5.8%. This area is considered as the second highest price area at the governorate level. Meanwhile, prices stabilized in certain places of Canada Dry Street.

Prices increased in industrial places overlooking 4th Ring Road to reach KD 950 i.e. an increase by 2.7%. 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.

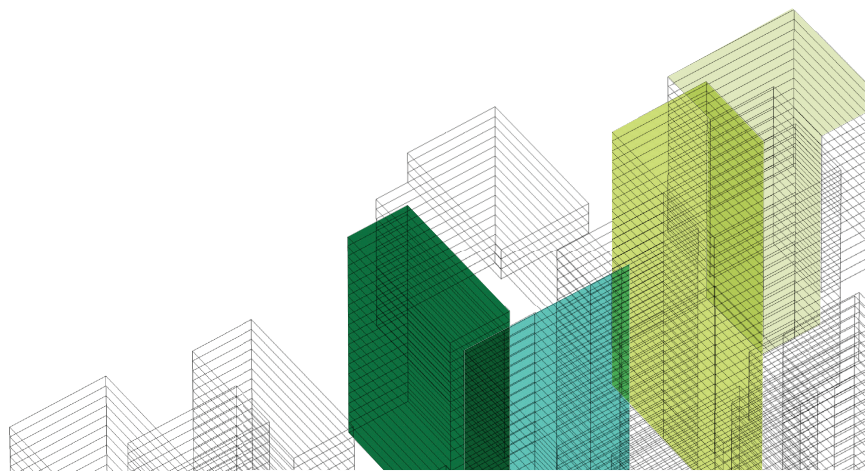


Table (21): Industrial Plot Prices at Capital Governorate

Region	Allocation	Area m ²	Building %	Street	Land Market Value (KD)		Average Price / m ² Q4 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.	1,200,000	1,400,000	1,300
		500		Decoration St.	680,000	725,000	1,455
		500		Electricity St.	1,200,000	1,400,000	1,300
		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	9,000,000	12,500,000	478
		1,000		Mohammad Al Qasim	800,000	900,000	850
		1,000		Ghazali St.	700,000	800,000	750
General Average in the Area					2,190,833	2,685,000	1,078

Source: Kuwait Finance House

Farwania Governorate

Prices stabilized at Farwaniya governorate where average price per square meter reached KD 1,687 as at the end of Q4 & Q3. Average price in the governorate is considered as the highest at all governorates level. Price levels continue their ascending trend in the governorate. On annual basis price per square meter increased by 9% i.e. the highest increase among all governorates.

Price per meter has stabilized in industrial areas of the governorate compared to Q3. Price levels stabilized in Ardiya handcraft area at KD 2,500 which is the highest price in all industrial areas at the governorate. Meanwhile prices stabilized in various locations of Ardiya area overlooking 5th Ring Road and in places opposite Ardiya warehouses and places falling opposite Ardiya Residential area compared to Q3 2017.

Prices in Rai area did not witness any change in Q4 compared to Q3. Prices stabilized in several places in that area e.g. Safat Al-Ghanem till Al Nasser Sports which is considered as the highest price area in addition to certain places overlooking the 4th Ring Road. Prices stabilized in certain places of Mohammed Bin Al-Qasem St. and in certain places of Ghazzalli Street and some internal streets in the area.

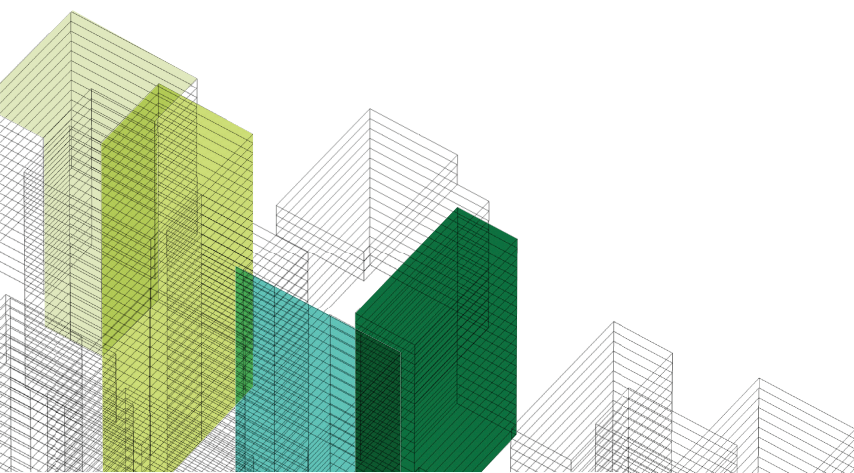


Table 22: Industrial Plot Prices at Farwaniya Governorate

Region	Allocation	Area m ²	Building %	Site	Street	Land Market Value (KD)		Average Price / m ² Q4 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 in Q4 & Q3, thus continuing its stability for the third quarter respectively with a clear stability in the general trend of quarterly change ratios. However, price levels declined in Q4 2017 by 1% on annual basis which is the best decline ratio since the beginning of the decline in prices as at the end of 2015.

Average price stabilized at the end of Q4 in most of the industrial area at Ahmadi Governorate compared to Q3. Prices stabilized in Fahaheel. Prices are still the highest among industrial areas in the governorate. Prices stabilized in Sulatn Center Street and other locations opposite refineries and internal streets in the area.

Prices stabilized in East Ahmadi industrial area and in several places in the area e.g. Mustafa Karam Street as well as several places in the main warehouses area covering an area of 5,000 m² and in certain internal warehouses covering an area 5,000 M² and other sites in the warehouses area covering an area 1,000 M².

Prices stabilized also in low price areas e.g. Shuaiba area and Mina Abdullah. Prices stabilized in highest price areas e.g. Jawharat Al-Fanar area, most of the internal places in the area, main places of Eastern Shuiaba area, Mina Abdullah area, gravel storage area, and internal areas of Mina Abdullah as at the end of Q4 2017.

Table 23: Industrial Plot Prices at Ahmadi Governorate

Region	Allocation	Area m ²	Street	Land Market Value (KD)		Average Price / m ² Q4 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

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

Region	Allocation	Area m ²	Street	Land Market Value (KD)		Average Price / m ² Q4 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

Table 25: Prices of Industrial Plots in Al Jahra Governorate

Region	Allocation	Area m ²	Street	Land Market Value (KD)		Average Price / m ² Q4 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

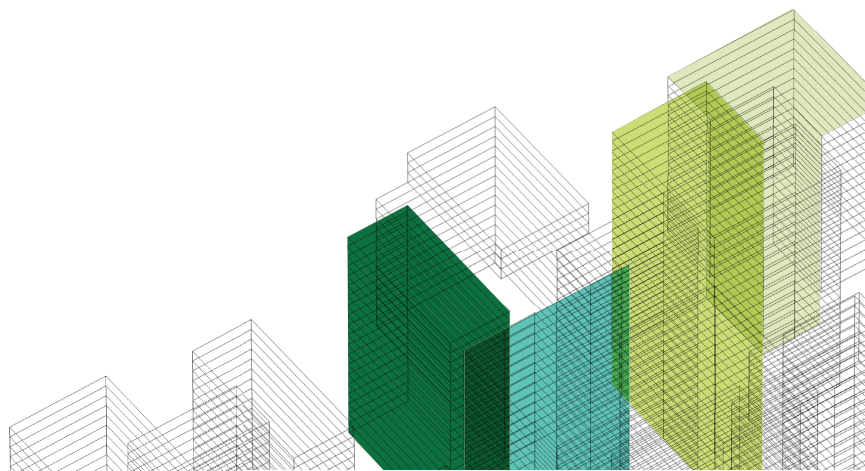
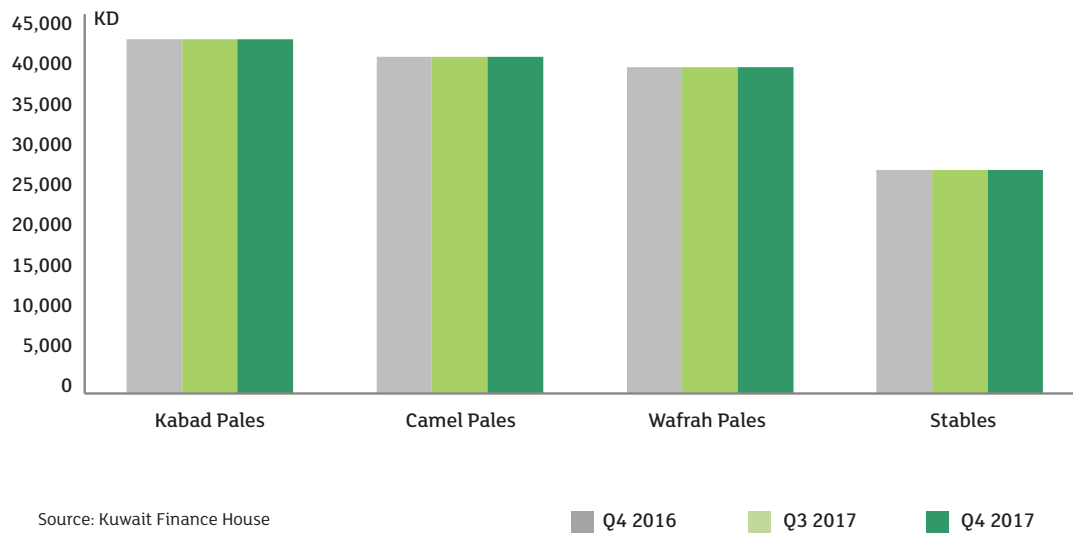
Fifth: Prices of Farms and Livestock Pales

Average prices of livestock pales and Stables did not witness any change in Q4 compared to the preceding quarter. Average price stabilized in Q4 & Q3 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 36,800. This price did not witness any change compared to average price on annual basis.

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 Q4-Q3 2017 and Q4 2016



Agricultural Land in Jahra and Ahmadi Governorates

Average estimated price per square meter of usufruct land recorded K.D 3 in agricultural land in Kuwait governorates, thus declining by 3.3% compared to Q3. Average price reached KD 3.5 in land covering an area of 50,000 M2 i.e. a decline by 2.3%. Prices declined significantly by 7.9% in land covering an area of 100,000 M2 to reach KD 2.4 / M2. Prices stabilized in land covering an area of 1 Million M1 to reach KD 3.4 and stabilized significantly at Ahmadi governorate level. Prices declined in Jahra governorate by 4.6% in Q4.

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 3.4 Million. Average price of usufruct land approximated KD 290 thousand in farms covering an area of 50 thousand square meter. Estimated price of usufruct land in agricultural land in Abdali – Mutlaa Road for a land covering an area of 100 thousand square meters reached KD 175 Thousand in Q4 2017.

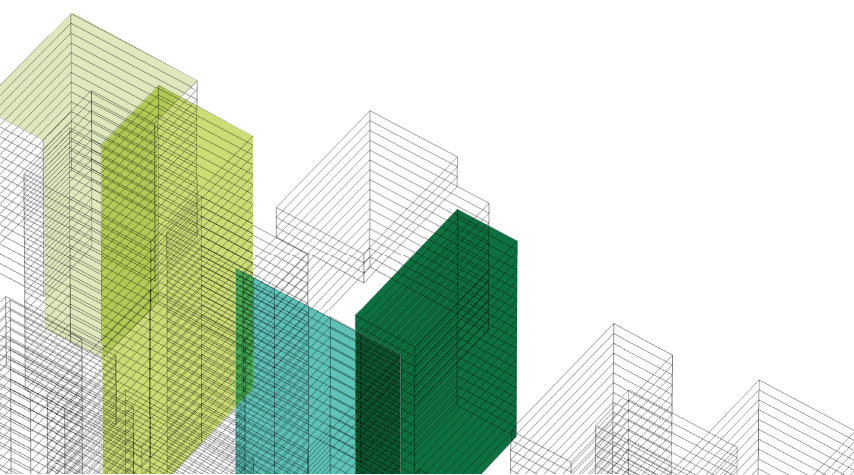
Estimated average price per square meter in agricultural land in Ahmadi governorate - Wafra area covering an area of 100 thousand meters stabilized. Prices in areas covering an area of 50 thousand stabilized also as at the end of Q4.

Table 26: Prices of Farms and Livestock Pales

Governorate	Region	Area m ²	Site	Estimated Plot Usufruct Price (KD)		Price / m ² (KD)		** A/P Q4 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

Fourth Quarter 2017 has coincided with the beginning of winter season. This could be the reason behind the decrease 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 Q4 in the prices of some real estate types.

Average price per square meter at the sea front in Ahmadi governorate reached KD 14.4 Thousand i.e. a decline by less than (2%) compared to Q3. Prices stabilized in most governorate areas e.g. Benaider and Jelai'a chalets 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 Q3. This area is the only area which has recorded a decline. Average price declined in several usufruct sites in Khiran area by 6% and declined by 4.4% in Mina Abdullah area compared to Q3 2017. Meanwhile, prices stabilized in average price areas of Dhaba'eya.

Prices did not witness any change in Q4 in capital area compared to the preceding quarter. prices stabilized in governorate areas e.g. Doha area. Prices stabilized in Jahra governorate and in certain chalets of Kazma and Sabbiya areas.

Table 27: Chalet Prices at Al-Ahmadi Governorate

Governorate	Region	Waterfront Length in Meters	Chalet Market Value		Price/Linear Meter - Waterfront (KD)		**A/P / m2 Waterfront Q4 2017
			From	To	From	To	
Ahmadi	Mina Abdullah	20	220,000	280,000	11,000	14,000	12,500
	Dubaeya	20	40,000	00,000	12,000	15,000	13,500
	Julaia	20	400,000	450,000	20,000	22,500	21,250
	Bnaider	20	420,000	480,000	21,000	24,000	22,500
	Al Zour	20	190,000	280,000	9,500	14,000	11,750
	Khairan (beneficiary contract)	20	70,000	240,000	8,500	12,000	10,250
	Nuwaiseeb	20	155,000	200,000	7,750	10,000	8,875

** A/P = Average Price per meter

Source: Kuwait Finance House

Seventh: Occupancy Rates and Rentals

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

Private Residence Rental Value

Average rental values have fluctuated in various places and areas. Average rental value for a ground floor, 3 bed rooms, a hall, covering an area of 135 m² ranged between KD 400 to KD 520 in a private residence real estate with a total area 400 m² during Q4 2017 at Hawalli governorate and reached in Capital governorate KD 520/- in certain areas e.g. Yarmouk and it is higher in Qadisia areas reached at KD 550/-. Also, it exceeds this level to reach KD 580 in certain distinguished areas of the governorate e.g. Mansouria and Kaifan. Average rental value at Farwania ranges between KD 320 – 380 and reaches KD 400 in certain distinguished areas and KD 400/- in more distinguished areas. Also, it ranges KD 320 – 420 in Ahmadi governorate areas. Average rent ranges KD 350 – 450 in Mubarak Al-Kabeer governorate areas. Average value increases to reach KD 480 in some other areas at Masayel. Rental value in Jahraa area ranged KD 300 – 400.

Rental value for a full floor in a private residence covering an area of 400 meters ranges KD 750 – 850 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 790 – KD 890 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 590 – 690 at Ahmadi governorate and reaches KD 750 in certain distinguished areas. Rental value reaches KD 650 – 750 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 550 – 650 and reaches KD 800 – KD 850 in distinguished places of Hawalli governorate. The value in Capital governorate ranges between KD 690 – KD 790 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 490 – 590 and reached more than KD 650 in certain distinguished places in the governorate.

Rental value at Ahmadi governorate ranges between KD 490 – 590 while it exceeds this limit in certain governorate areas. Also, it ranges between KD 550 – 650 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 300 – 330. Rental value for the same area in Hawalli governorate ranged between KD 270 – 320 and may increase to 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 covering an area of 70 – 74 m² ranged KD 330 – 360 at capital governorate and KD 300 – 350 in Hawalli governorate areas. Rental value ranged between 290 – 330 in Farwaniya governorate and KD 280 – 320 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 360 – 390 at capital governorate and ranged between KD 330 – 390 at Hawalli governorate areas. Rental value ranged between KD 320 – 370 at Farwaniya governorate areas and ranged KD 310 – 350 at Ahmadi governorate. Rental value approximated KD 360 at Mubarak Al-Kabeer governorate and Jahraa governorates.

Rental value for a flat covering an area of 100 – 110 m² ranged between KD 410 – 440 in Capital governorate areas, KD 380 – 440 for Hawalli governorate areas, KD 390 – 420 in certain areas of Farwaniya governorate while value ranged KD 360 – 400 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.

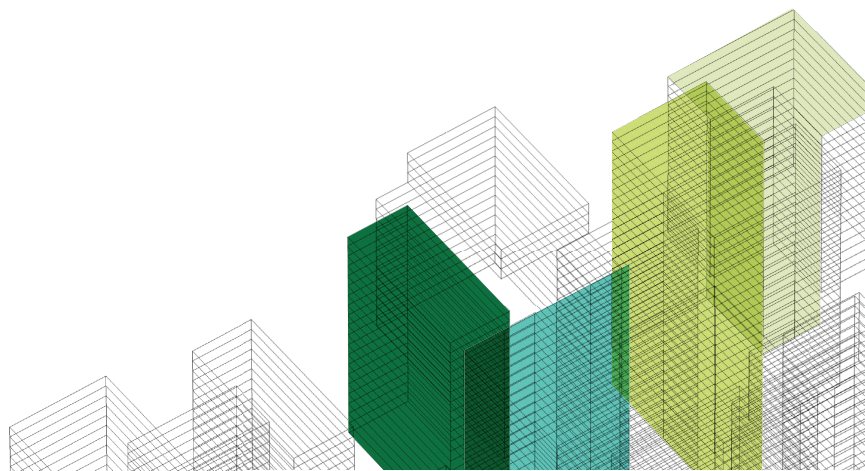
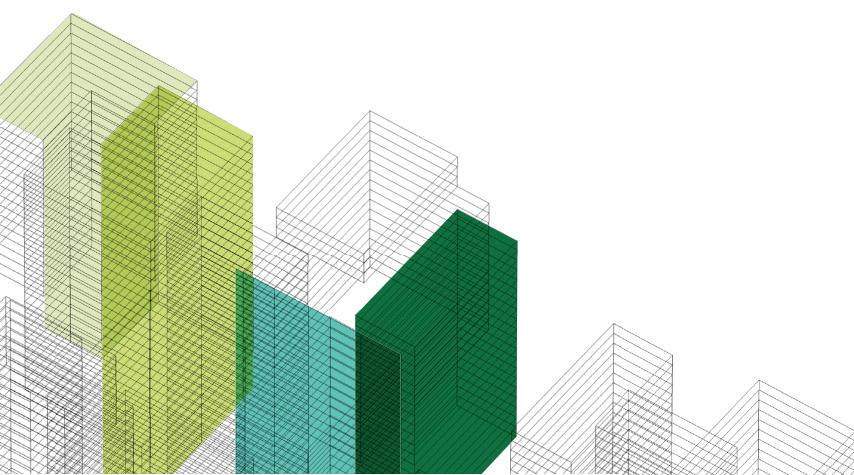


Table (30): Average Rental Value for a newly built Private Residence in KD covering an area 400 m in various Kuwait Governorates during Q4 2017

Hawalli Governorate	3 Bedrooms, a Hall & 4 Bathroom + Maid Room (1st & 2nd Floor) (135)m		Full Floor (Ground)		Full Floor (1st & 2nd)	
Siddique	420	520	800	900	700	800
Salaam	420	500	800	900	700	800
Hitteen	420	500	800	900	700	800
Shuhadaa	420	500	800	900	700	800
Zahraa	420	500	800	900	700	800
Shaab	450	520	850	950	750	850
Mishrif	400	500	750	850	650	750
Bayan	400	500	750	850	650	750
Mubarak Al-Abdullah	420	520	850	950	750	850
Salwa	350	450	650	750	550	650
Jabriya	400	500	750	850	650	750

Capital Governorate	3 Bedrooms, a Hall & 4 Bathroom + Maid Room (1st & 2nd Floor) (135)m		Full Floor (Ground)		Full Floor (1st & 2nd)	
Edailiya	500	580	950	1050	850	950
Faihaa	500	580	950	1050	850	950
Rawda	500	580	950	1050	850	950
Yarmouk	450	520	850	950	750	850
Keefan	500	580	950	1050	850	950
Mansouriya	500	580	950	1050	850	950
Qadsiya	450	550	850	950	750	850
Da'eya	420	500	790	890	690	790
Dasma	420	500	790	890	690	790
Surrah	420	500	790	890	690	790
Qurtoba	420	500	790	890	690	790
Ghernata	340	420	630	730	530	630
Sulaibikhat	320	400	590	690	490	590



Average Rental Value for a newly built Private Residence in KD covering an area 400 m Kuwait Governorates during Q4 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	650	750	550	650
Omaria	350	400	650	750	550	650
Khaitan	350	400	650	750	550	650
Ishbilia	350	420	650	750	550	650
Rabia	320	380	590	690	490	590
Rehaab	320	380	590	690	490	590
Aardiya	320	380	590	690	490	590
Andalus	320	380	590	690	490	590

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

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	380	450	710	810	610	710
Masayel	400	480	750	850	650	750
Abu-Fatira – Residential	350	420	650	750	550	650
Addan	350	420	650	750	550	650
Qurain	350	400	650	750	550	650

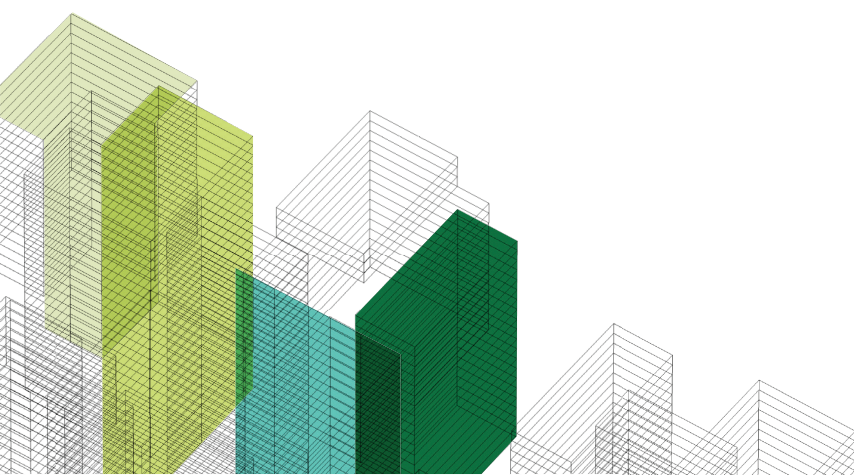
Jahra Governorate	3 Bedrooms, a Hall & 4 Bathroom + Maid Room (1st & 2nd Floor) (135)m		Full Floor (Ground)		Full Floor (1st & 2nd)	
Old Jahra	320	400	590	690	490	590
Saad Al-Abdullah	300	380	550	650	450	550

Table (310): Average Rental Value Trading Investment Properties in Kuwait Governorates during Q4 2017

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	280	320	310	350	340	380	390	430
Hawalli	270	300	300	330	330	360	380	410
Jabriya	290	320	320	350	350	380	400	430
Shaab	300	330	330	360	360	390	410	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	300	330	330	360	360	390	410	440
Qibla	300	330	330	360	360	390	410	440
Eastern Muqawa	300	330	330	360	360	390	410	440
Dasman	300	330	330	360	360	390	410	440
Bneid Al Gar	300	330	330	360	360	390	410	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 Q4 2017

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	260	280	290	310	320	340	370	390
Mahboula	250	270	280	300	310	330	360	380
Abu Halifa	260	280	290	310	320	340	370	390
Mangaf	260	280	290	310	320	340	370	390
Fahaheel	270	290	300	320	330	350	380	400

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

**Tabel (32) Average Rental Value Trading of Commercial Properties at Kuwait Governorates
"Q4 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

**Table (33): Average Rental Value Trading of Industrial Plots at Kuwait Governorates during Q4 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

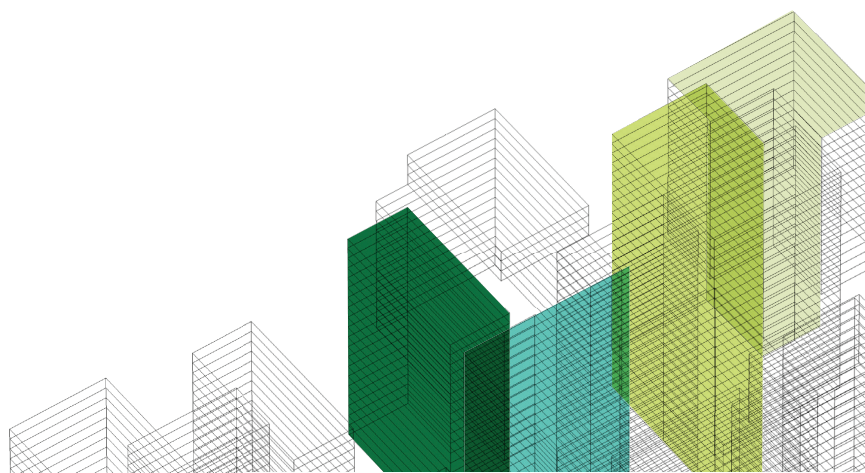
A building in which basement, ground floor and mezzanine are used as commercial shops. These shops may be designed as closely lined up or separate shops in a corridor overlooking the commercial street or in the form of mansions. Recurrent floors may be used as offices or for any other commercial purposes.

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

