



Following five years of outstanding performance, the Lebanese economy entered a new era of distress starting 2011, resulting from an internal instability and a political deadlock. The eruption of the Syrian war amplified this downturn bringing real GDP growth down from 8% in 2010 to 2% in 2011, 2.5% in 2012 and 1.5% in 2013 as core drivers of growth such as construction, real estate and tourism were negatively impacted by the worsening regional and domestic conditions. GDP growth is estimated to have reached a negligible level of 0.5% during 2015 and could have turned negative if not for the initiatives of the Lebanese Central Bank.

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Still, the Lebanese real estate market remained, even in the darkest times, one of the backbones of the Lebanese economy. Bearing in mind that the last 4 years were not the best of times for real estate activity, the sector kept on revealing its high resilience and its ability to adjust to the new realities. As a matter of fact, real estate maintained its considerable stake of Gross Domestic Product (GDP) in 2013 at 14%, despite the lingering political impasses and the worsening security situation on both the domestic and regional fronts.

Regardless of its ability to survive the political and security shocks that negatively impact the whole economy, the spillovers of the worsening economic situation on the Lebanese property sector hardly went unnoticed. This has been the case in 2011, when the political and economic instabilities weakened investors' appetite. The latter kept on deteriorating up until 2014 when the market got a little breathing space, hand in hand with a marginal pick-up in economic activity following the election of a new Cabinet. However, 2015 sent the real estate sector back to the red zone, showing that the slight improvement witnessed a year earlier was no more than a minor alteration in the bearish trend that started during the previous years.

In reality, the performance of the property market highly reflected the economic activity during 2015 as confirmed by the BLOM Purchasing Managers' Index (PMI) that tracks business conditions in the private sector. Hence, the PMI hit 46.9 in November 2015, worsening from a previous 49.5 reading in the same month of 2014, digging further below the neutral reading of 50 that separates expansion from contraction.

Real estate demand was heavily impacted by the regional turmoil as shown by the number and value of transactions recorded at the real estate registry. The total number of real estate transactions (built-up units and lands) reached a 5-Year low of 73,925 transactions by November 2015, dropping by a yearly 5.1% from the same period in 2014. Similarly, the total value of real estate transactions tumbled by 14.2% year-on-year (y-o-y) to reach \$7.49B in the first eleven months of 2015, down from a previous \$8.73B by November 2014.

Total Number and Value of Real Estate Transactions by November



Source: Lebanese Cadastre Registry

The analysis below will be divided into 2 major sections: the first will be related to the built property sector, while the second part will focus on the dynamics of the raw land market.

Built Units: Dwindling Performance in 2015 amid Persisting New Trends

Back in time, 2007-2011 was a booming period for the Lebanese real estate market characterized by a pent-up demand outpacing supply levels. Supply tried to catch up over the mentioned period; however projects need time to be designed, licensed and constructed. Consequently, real estate prices skyrocketed after being well below the regional levels for a long time. Real estate demand was hindered starting late 2011 by pressures from the war in Syria and the fragile domestic situation that continued through 2013.

After 2011, demand stagnated while supply continued its uptrend, catching up with demand and even surpassing it in 2014. The period 2011-2013 can be described by an improving supply that took time to adapt to demand levels. In 2014, real estate supply rose at a faster pace than demand, with prices stagnating at their previous levels. However, the residential market began an adjustment phase as realtors started to adapt to the new market dynamics. Demand for built property worsened in 2015. Investors' appetite for built property units declined 10% in both volume and value reaching 31,186, and \$4.42B, respectively.

As real estate lost its lure in 2015, Lebanese expats and Gulf investors seem to have shied away from the market. Given that the mentioned buyers are the prime clientele of big and luxurious apartments in Beirut, the shaky confidence of the Lebanese expats and the Gulf nationals in the market heavily affected the luxurious segment of the residential property market. In specific, the situation worsened after GCC countries issued travel warnings against their citizens traveling to Lebanon. This pushed Gulf nationals and even Lebanese expats to hold back any new real estate investment in Lebanon, waiting for a clearer view of how events will materialize. As a result, and given that demand of wealthy Gulf nationals and Lebanese expats was oriented towards Beirut

Central District (BCD), the average price per SQM is estimated to have declined by almost 11% between 2011 and 2013.

However, the heightening regional security turbulences, mainly in Syria and Iraq, have pushed nationals of these war ridden countries to penetrate the Lebanese property market in 2015. Most probably, Syrian and Iraqi nationals are progressively losing hope in any approaching improvement in the lingering situation of their countries. Consequently, many of them started to consider acquiring an apartment in Lebanon, after hanging around for 4 years in the rental market.

This was translated by a slight progress in foreign demand in 2015, following several years of dwindling performance. Even though minimal, foreign built property transactions took 3.7% of total built real estate transactions by November 2015 compared to a lower stake of 2.8% by November 2014. It was noticeable that foreign demand's share in 2015 was the highest in 5 years. In absolute terms, the number of built units' transactions went up from 973 by November 2014 to reach 1,156 transactions in 2015, near 2011's level. The value of these transactions rose by 2.7% y-o-y to \$384.99M by November 2015.

The Central Bank's Stimulus Package Partially offset the Declining Activity

Lebanese commercial banks succeeded in attracting additional borrowers for their housing loans in 2015. The continuous support of the financial sector and more specifically the Lebanese Central Bank's (BdL) stimulus packages to the private sector that continued through 2015 pushed households to borrow from commercial banks.

In addition, Lebanese banks were implementing aggressive and competitive marketing strategies to boost lending activity by lengthening the loans' repayment schedules and providing lower interest rates following the financial crisis. Actually, the Lebanese commercial banks are mainly providing 2 types of subsidized loans: the Central Bank subsidized loan and the program in cooperation with the Public Corporation for Housing (PCH). Given that the former is usually offered at relatively higher interest rate, Lebanese citizens tend to apply for PCH loans, known as "Iskan" loans as they are more designed for low- to middle- end households.

Housing Loans Evolution



Source: BdL

Thus, housing loans maintained their upbeat performance, yet at a slower pace with their total value standing at \$10.4B by July 2015, a 5% increase since year start. Worth mentioning that

housing loans almost constituted 18% of total outstanding private loans by July 2015 compared to 6% in 2008. In addition, housing loans at Lebanon's commercial banks almost doubled from 2011's level of \$5.98B with the number of borrowers rising by more than 25,000 over the 5-Year period. As a result, the average value per housing loan stood at \$94,332 by November 2015, slightly higher than the \$93,965 recorded a year earlier.

Buyers are shifting to small apartments outside Beirut as a result of the substantially high prices and enormous spaces in the capital. The average asking price in Beirut Central District (BCD) records the highest market price at \$6,679 per SQM for 1st floor apartments averaging 331 SQM. Accordingly, developers are offering one apartment for \$2,210,749 on average. Outside BCD, high-end neighborhoods (Ain el Tineh, Sursok ...) charge between \$4,900 and \$5,250 per SQM while mid-market neighborhoods of Ashrafieh post prices around \$2,600 per SQM. It's worth mentioning that all of the prices above don't take into consideration the negotiation margins that actually take place on the market.

Due to its high prices, Beirut continued to grasp an important share of the built property transactions' value, but for a much smaller number of transactions. In terms of value, Beirut grasped 27% of the total value of built property transactions by November 2015. This could be explained by the scarcity of land in the Capital which has bolstered realty prices during the past years. However, the number of built property transactions in Beirut constituted 11% only of the total number of built unit transactions. This has sent the average value per built realty transaction to \$350,084, almost three times higher than the average of total Lebanese Cazas.

However, prices in Beirut are declining as the number of unsold apartments increased. A study conducted by RAMCO Real Estate Advisers covering 345 residential buildings across Municipal Beirut revealed that the average price of a 1st floor for an under-construction residence is of \$3,720 per SQM. This figure marks a 4% drop on the average price between 2014 and 2015. The study also revealed that out of 1,213 completed residential apartments in Municipal Beirut, 24% were unsold in 2014 and were valued at \$480M. In details, the census was based on 56 completed projects throughout 51 neighborhoods in the capital. Hence, the sales ratio¹ stood at 76% in 2014 comparing to 78% and 82% in 2013 and 2012, respectively.

The annex table 1 discloses the real situation of apartments in the neighborhoods of the capital in terms of size and price. In reality, there is almost no neighborhood in the capital that revealed prices below \$2,000 per SQM. In addition, the smallest size noted for an apartment was 165 SQM on average and was recorded in Getaoui where the estimated apartment price is around \$492,000. This is one example of what is really happening in Beirut and reveals the reasons why developers are facing obstacles to liquidate their units. The fact that the average size of apartments in Beirut tends to be large with prices never below \$2,000 per sqm, leads the minimum price a potential buyer can find to always exceed \$300,000.

Hence, and given that residential property demand was mainly limited to that of young Lebanese households (newly married in specific), new buyers became more interested in buying real estate units in the outskirts of Beirut for 2 main reasons. First, ***apartments outside Beirut are sold at substantially lower prices***. Second, ***the requirements of housing loans were partly dictating borrowers' preferences and choices***.

➤ ***Apartments outside Beirut are sold at substantially lower prices.***

The top 2 destinations of real estate buyers by November 2015 were Metn and Baabda Cazas as they took respective shares of 18% and 14% of the total number of real estate transactions.

¹ residential area sold out of the total residential stock under construction

However, and given the rising demand for real estate in both Cazas (Metn and Baabda), realty prices in those 2 regions slightly augmented by an average of maximum 2% (as revealed in the Annex Graph 2), yet remaining substantially lower than that of Beirut.

➤ *The requirements of housing loans were partly dictating borrowers' preferences and choices.*

Average Value per Built Property in the Lebanese Cazas by November 2015

Region	Average Value
Beirut	\$ 350,084
Metn	\$ 172,795
PCH Housing Loan	\$ 162,000
Baabda	\$ 159,748
Jounieh	\$ 143,483
Aley	\$ 123,234
Byblos	\$ 109,934
Average Housing Loan	\$ 94,332
Shouf	\$ 89,143
Zahleh	\$ 85,954
Rachaya	\$ 75,812
South	\$ 73,163
Tyr	\$ 71,092
North 2	\$ 50,419
North 1	\$ 47,011
Nabatiyeh	\$ 46,807
Akkar	\$ 40,811
Baalbek	\$ 40,246
Marjeyoun	\$ 39,446

Source: BLOMINVEST, Lebanese Cadastre Registry, BdL

The table above ranks the averages of built-unit transactions by region, and shows where the average value of a housing loan and that of a PCH loan fit into the list. The credit facilities appear to cover apartments in most cazas, however, buying a residential apartment in Beirut, or even in Metn, is almost out of reach for the majority of Lebanese households and more specifically the newly married couples.

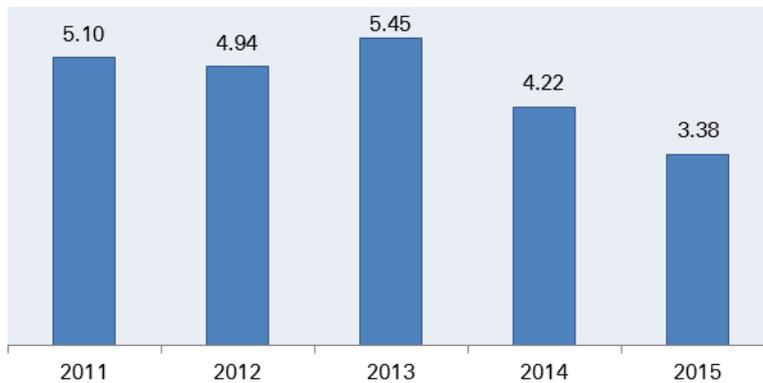
Developers' Concerns were on the Rise Triggering Construction Activity into a 5-Year Low

Moving to the supply side, most indicators were on the decline in 2015. A slowing construction activity was highlighted by shrinking volumes of cement deliveries in addition to decreasing levels of construction permits.

Primarily, the conclusion of Port of Beirut's expansion project, the absence of any new major infrastructure project led by the public sector, and in part the shrinking of illegal construction, were the main reasons behind the fall of cement deliveries in 2015. Cement deliveries, which are one of the earliest barometers of construction activity, revealed weakening performance during

2015. They kept on declining for the second year in a row, shedding 20% y-o-y in the first three quarters of 2015 to reach 3.38M tons. In fact, the persisting political standstill in 2015 hindered the initiation of any new large scale infrastructure project.

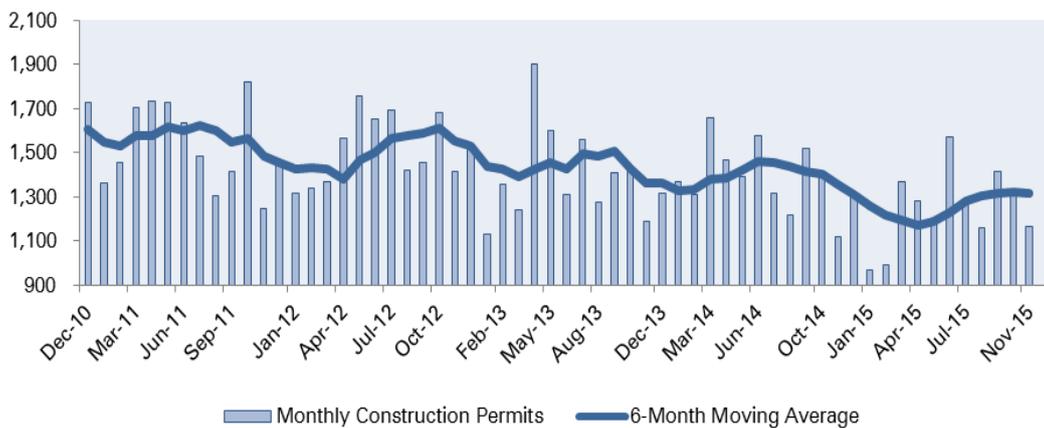
Cement deliveries Up to September (In Million tons)



Source: Banque du Liban

The sluggish performance of construction was also translated by a decreasing number of new construction permits during the first eleven months of 2015. The six-month moving average of the number of construction permits (pictured below) illustrates the decline witnessed in the sector since 2011, following the eruption of the Arab spring. In fact, a 10.6% yearly drop was recorded in the number of construction permits by the end of November 2015 to 13,727, registering a 5-Year low.

Monthly Number of Construction Permits

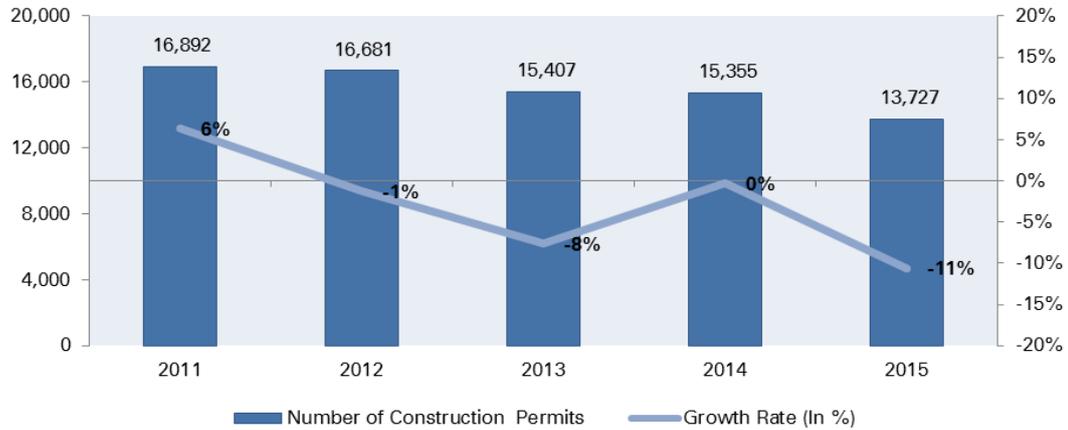


Source: Orders of Engineers in Beirut and the North

Worth mentioning that construction permits are an early indicator of developers' perspective regarding the future of the real estate market. The fact that permits are usually issued 6 months after applications are filed reveals that the change in the number of authorized permits does not reflect the actual market's sentiment, but the one that investors perceive for the future period. In addition, the issuance of a new permit does not imply that new construction projects will be directly launched after the issuance of the permit as the latter remains valid for almost 5 years.

Accordingly, the actual retreat witnessed in the number of permits does not reveal slower activity on the short run but alludes to the dwindling confidence of contractors in the future performance of the real estate market.

Number of Construction Permits by November



Source: Orders of Engineers in Beirut and the North

➤ *The progress of construction loans during 2015 does not indicate an improving activity*

Construction is considered a key sector in the Lebanese economy and the second largest loan beneficiary in the private sector. Thus, construction loans made up 18% of the total loans granted in the financial sector up to July 2015. The value of these loans amounted to \$9.99B by July, rising by 4.08% since year-start. Similarly, the number of borrowers also rose by 5% since the beginning of 2015 to hover near the 13,000 mark by the end of July 2015. Accordingly, the average loan value per borrower revealed a marginal 1.2% year-to-date downtick to \$768,462 by July 2015.

Value of Construction Loans (In \$B)



Average Value per Construction Loan



Source: BDL (credit to the private sector)

However, the increase in construction loans is not an indication of better activity in the construction industry but is rather linked to the changing aspects of the construction sector starting 2007.

As a matter of fact, when the real estate market was witnessing a period of pent up demand between 2007 and 2011, developers were selling their projects on blueprint and trying to increase their stock to meet the high levels of demand that outpaced by far the supply.

After the market slumped following the Arab Spring in 2011, the leading players of the industry were the only ones to survive the downturn as they were capable of self-financing or resorting to construction loans provided by the banking system. Smaller players had to escape the market as the process of selling became much harder and their access to construction loans became tougher given their poor standing in the market.

In addition, the increase in the value of construction loans is taking place at slower pace. Yearly growth rates of construction loans' value seemed to be undergoing a bearish trend from 14% in 2012 to 13% in 2013, 5% in 2014 and 4% by the end of July 2015.

Adapting in the Meantime to the Changing Demand

Despite the slackening demand for residential apartments, contractors were still trying in 2015 to adapt to the shift of realty buyers' preferences towards smaller and more affordable apartments outside Beirut.

Despite the slight slip in 2015, the decreasing trend of the average area authorized per permit, which started right after 2010, can better reflect the real change in contractors' perspective in favor of residential projects, which required smaller plots of land. While the average area per permit barely inched down from 818 sqm/permit by November 2014 to 804 sqm/permit by November 2015, it is still 18% lower than that recorded by November 2010.

Construction permits issued in 2015 revealed that contractors took into consideration the regional preferences of the changing residential demand when applying for new permits. Therefore, Mount Lebanon remained the region to uphold the biggest stake of construction permits by November 2015 (42% of the total number of construction permits) given its proximity to the capital Beirut and its relatively lower prices. South Lebanon and Nabatiyeh followed with respective shares of 17% and 13%.

Negotiation is the Name of the Game with Real Estate Prices

Given the bearish activity since 2011, price negotiations characterized a buyer's market where transactions were actually being concluded at discounted prices well below the originally listed unit prices. After reaching their peak in 2011, levels of prices seemed to have stagnated, yet sellers became more open for negotiations; especially when it comes to large apartments. In reality, considerable discounts, which can reach up to 20% of the unit price, were being offered to serious buyers.

As a result, the real prices of units sold are expected to be much lower than those of 2011, even if the overall transaction value in 2015 averaged that of the previous year. This could be partly linked to the changing regional preferences of buyers, but not to the altering market dynamics. Actually, the average regional value per built unit transaction almost stagnated when compared to the previous year as it slipped by a marginal 0.1% y-o-y to \$141,556.

For instance, the survey of prices in Beirut represented in the annex table 3 shows that most of the prices in 2015 were lower than those reported in 2013. This table is the only available information on the evolution between 2013 and 2015 of residential prices in the neighborhoods of Beirut. Although we have several reservations on the survey, out of the 19 mentioned neighborhoods in Beirut, 11 witnessed declines in the average price of SQM between 2013 and 2015, while 7 revealed price increases and only one showed no change in price. The registered price increases mainly resulted from the renovation of numerous old neighborhoods in the capital. Though, it is worth mentioning that the highest prices were registered at the seafront of the capital Beirut. From Manara to Ramlet el Baida, average prices rose around 10% on average between 2013 and 2014 to vary between \$5,500 and \$6,300 per SQM.

Still, the average variation of the listed prices in the 19 selected neighborhoods was -2.2%, supporting our views of considerable discounts on actual transaction prices ranging from 15% - 20%.

Developers Tried to Resort to Retail and Office Markets to Offset and Hedge the Losses Occurring in the Residential Segment

The slowdown in the residential market, amid a mismatch between demand and supply, pushed investors towards commercial projects that seemed more income appealing; given the shortage in stock within the market. The real estate consultant RAMCO lately released a publication about office buildings under construction in Beirut. The study enclosed 37 office projects with a total office space representing 195,694 square meters (sqm) under construction across the capital. Moreover, this census reflects a 32% increase in office construction from September 2013 due to the stagnation of the residential market in Beirut, where developers are becoming progressively more oriented towards the office market. Worth mentioning that prices ranged from \$3,500 per sqm to \$7,500 per sqm across the capital depending on the location and if the offices are offered core and shell or just with basic finishing.

Ashrafieh constituted the neighborhood enclosing the largest number of projects with 23 projects (67% of total projects area) and with a total area tallying about 130,752 sqm. Quotes can vary from \$3,500 per sqm all the way to \$5,500 per sqm. With the lowest number of office developments across Beirut at 5 projects (22% of total project area) covering an area of 43,331 sqm, RAMCO revealed that Beirut Central District's (BCD) prices hovered between \$5,500 per sqm to \$7,500 per sqm. Finally in the Western region of Beirut, the publication exposed 9 projects (11% of total project area) summing to 21,611 sqm under construction, with prices floating between \$5,000 and \$5,500. In terms of average size, BCD held the most spacious projects at 8,666 sqm per project while Ashrafieh and Western Beirut were at 5,684 sqm and 2,401 sqm, respectively.

The Rental Commercial Market in Focus

While maintaining their high levels, commercial rentals in Lebanon showed substantial declines in 2014. In details, and amid a slowdown in the residential market, investors were more oriented towards commercial projects. Those investments have become more income appealing in terms of sales and rents given the shortage in stock.

Cushman & Wakefield latest annual report showed that retail rents in the main Lebanese locations hovered between \$500 - \$1,600 per SQM/Year, however considerably declining (between 15% and 30%) during 2014. Yet, ABC Centre Achrafieh, which was 2014's most expensive retail location in Lebanon, preserved 2013's level of \$1,583 per SQM/Year. The Lebanese mall ranked 37th among 64 countries and stood just after Biblioteksgatan - Sweeden (\$1,636 per SQM/Year)

and Rue Neuve - Belgium (\$1,750 per SQM/Year). ABC Achrafieh rental was higher than that of Grand Rue – Luxembourg (\$1,500 per SQM/Year) and Shopping Centre - Kazakhstan (\$1,330 per SQM/Year).

On the local front, Beirut Central District and Rue Verdun rental prices followed ABC Centre Achrafieh at respective prices of \$792 per SQM/Year (a 16.7% yearly decline) and \$633 per SQM/Year (a 20.0% y-o-y drop). Rue Hamra and Kaslik ranked fourth in Lebanon with similar rental price of \$554 per SQM/Year.

Separately, commercial areas seemed to be reshuffling in Beirut's main streets hand in hand with the changing perception for hotspot locations of the Food & Beverage (F&B) industry's operators. According to RAMCO, 4 examples can clearly reveal the new trend that is painting retail locations such as Maarad, Gemmayze, Mar Mikhael and Badaro areas.

Starting with Maarad Street, the report showed that the previously known tourist hotspot street was severely affected by the deteriorating tourism activity especially due to the mass-marketing strategy used in the F&B industry that only focuses on a targeted clientele. In details, restaurants that used to be located in Maarad Street were mainly depending on GCC tourists and the Lebanese diaspora that were nowhere to be seen in the last few years. This pushed several restaurants such as Le Relais de L'Entrecôte and Casper to leave the area despite the expected declining trend in rental values that should not exceed the average \$300-\$400 range per SQM per Year.

Similarly, and after standing as Beirut's top nightlife destination, Gemmayze Street lost its momentum with restaurants and pubs relocating towards new areas such as Makdessi Street in Hamra, the neighboring Mar Mikhael Street and Uruguay Street in Beirut Central District (BCD). RAMCO declared that the resulting slump in rentals sent values in Gemmayze near those of 2005 and 2006, at an average of \$200-\$300 per SQM per Year.

In the last 2 years, average rentals almost doubled in Mar Mikhael as the area became one of the most desired destination for entertainment. F&B operators are willing to rent units in the location despite the substantial jump in prices that reached an average of \$400-\$700 per SQM per Year.

Lately, Badaro is standing as new home for nocturnal clientele after restaurants and pubs started opening their doors there. The unexpected interest in the neighborhood mainly took place following the rising rental prices in Mar Mikhael, and the accessibility of Badaro street from several areas across Beirut which could easily bolster the targeted clientele. Accordingly, rentals in Badaro are considered affordable for F&B's professionals as they are currently standing around \$300-\$400 per SQM per Year with high expectations of growth in the coming period.

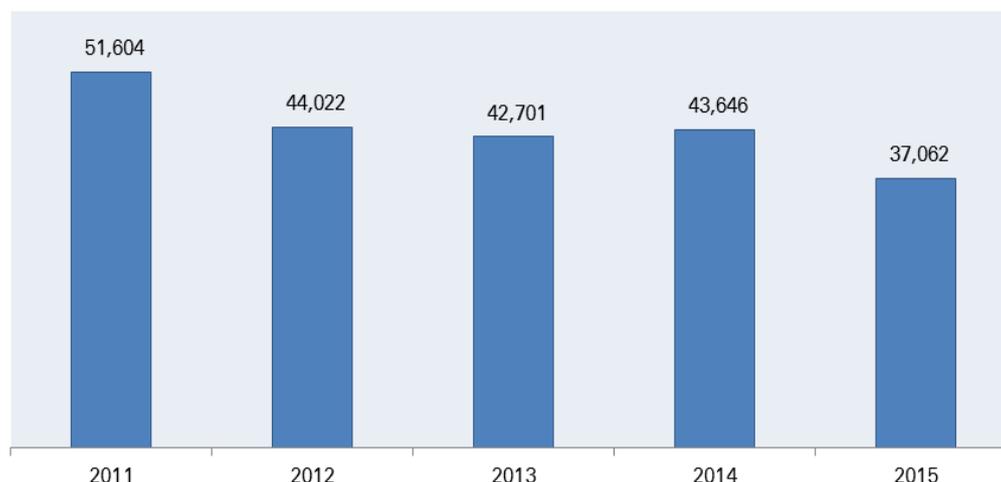
The Lebanese Land Market: Is Investing in Earth Still the Best Investment on Earth?

Demand for Land Parcels in 2015: Worst Performance in 5 years

The overall negative investment sentiment kept on dictating raw land activity in 2015. However and besides the repercussions of frail political and security environment, the scarcity of empty and well located parcels for construction weighed over raw land transactions in 2015. The available land plots were either substantially expensive, unmanageable or considerably remote from the capital Beirut which made them unappealing for real estate investors.

Constituting 31% of total real estate transactions, land transactions saw their number fall by 28.2% between November 2011 and November 2015. It is worth noting that the number of raw land transactions fell by a yearly 15.1% by November 2015 alone to reach 37,062, which is almost equal to the total decrease over the prior 4 years.

Number of Land Transactions by November



Source: Lebanese Registry Cadastre

In terms of value, the total worth of land transactions stood at \$2.32B in the first eleven months of 2015, down from \$2.81B by November 2014. Raw land plots located in Metn, Beirut and Baabda grasped together more than 40% of total value. This could be explained by the fact that most developers widened their interest to include, not only Beirut, but also its suburbs when undertaking residential and retail projects.

Unlike residential prices, land pricing succumbed to the market’s waning activity. Correspondingly, the average value per land transaction went down from \$64,387 by November 2014 to settle at \$62,626 by the end of November 2015. Beirut revealed the highest average per land transaction at \$2.21M by November 2015, edging down by 23% from the same period a year earlier. Metn came second in terms of prices, posting an average value per land transaction of \$156,852 by November 2015, slipping from a previous \$161,281 by November 2014. The average value per land transaction in Baabda ranked third at \$134,468 by November 2015 compared to \$159,382 over the prior year.

Unsurprisingly, foreigners’ interest in Lebanese raw land investments remained low in 2015, yet timidly improving to 2011 and 2012’s levels. It is essentially due to the long process needed for a foreigner to get an approval to acquire a land. After reaching 0.4% by November 2014, foreigners share of the total number of land transactions inched up to 0.6% in the first eleven months of 2015, the equivalent of 236 transactions worth \$33.53M. Hence, the average value per land transaction for foreigners was more than twofold that of Lebanese buyers. As for the top 3 locations of foreign land transactions, Zahleh took 20% of the total, while Aley and Shouf saw respective shares of 17% and 11%, respectively.

The regional breakdown revealed that the bulk of land transactions was concentrated in Caza relatively renowned for their low prices such as Tripoli (19% of the total number), Baalbek (13% of the total), Zahleh (9.2% of the total) and Tyr (8.9% of the total).

As the data previously revealed, Lebanese citizens were mostly interested in raw land transactions outside Beirut due to several reasons:

- The limited financial means of the majority of the Lebanese households pushed developers to build residential projects outside Beirut where costs are lower such in Tripoli, Metn and Baabda.
- Some of the Lebanese households bought raw land plots where they can build their apartments themselves at lower expenses.
- Speculation could be another reason for Lebanese citizens to favor cheap raw land plots, which are usually remote from Beirut, on the expense of other real estate investments. Those buyers are mostly hoping for any major touristic project to take place near the raw land they bought or maybe an infrastructure development, which could boost their land price substantially.

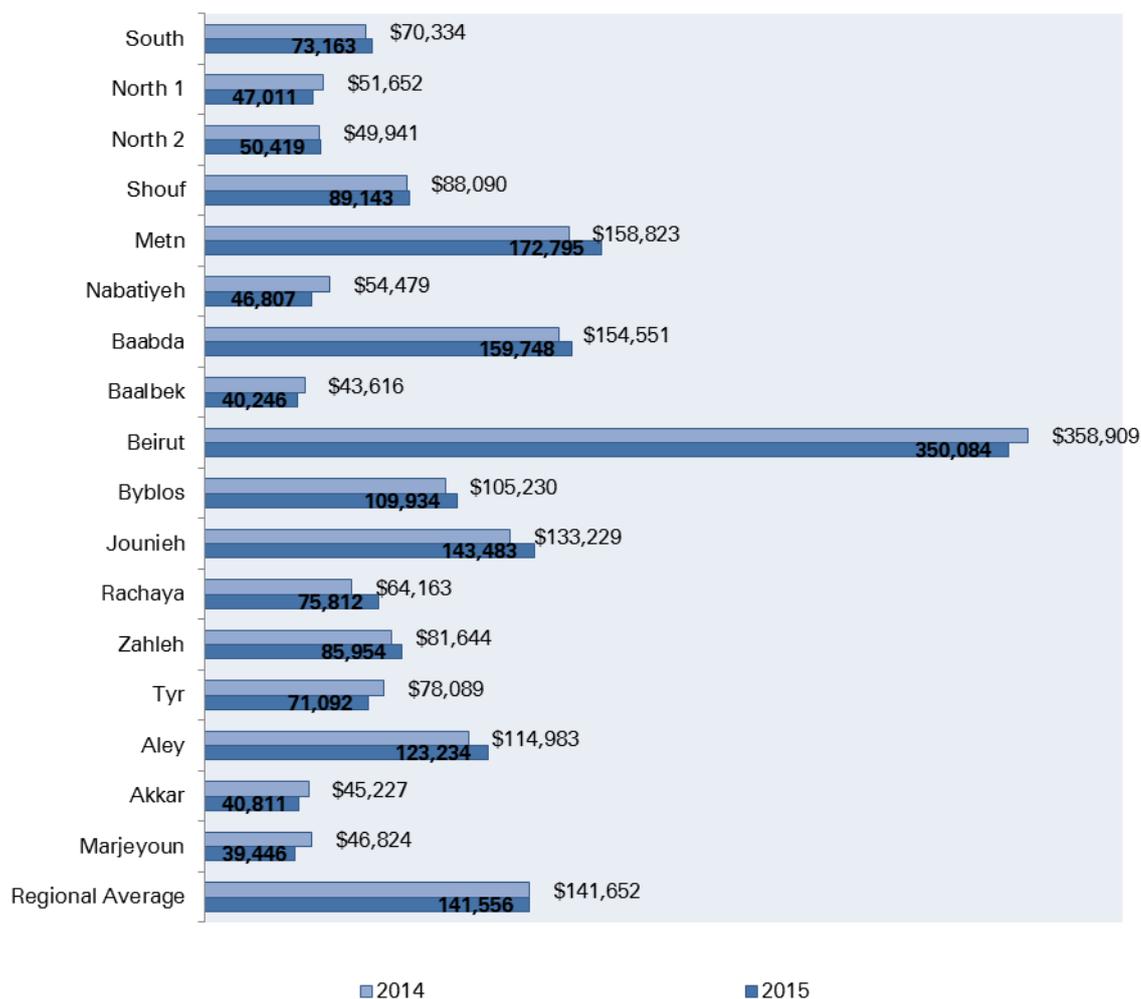
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Annex Table 1: Average Prices in Selected Beirut Neighborhoods

	Average Price Per SQM	Average Apartment Size (SQM)	Average Apartment Price
Ramlet el Baida	\$ 6,750	414	\$ 2,794,500
Manara	\$ 6,250	424	\$ 2,650,000
Beirut Central District	\$ 6,000	333	\$ 1,998,000
Ain el Mreisseh	\$ 5,750	412	\$ 2,369,000
Raouche - Sakiet el Janzir	\$ 5,400	352	\$ 1,900,800
Sursock	\$ 5,150	297	\$ 1,529,550
Saifi	\$ 4,900	179	\$ 877,100
Verdun - Ain el Tineh	\$ 4,575	313	\$ 1,431,975
Clemenceau - Kantari	\$ 4,450	329	\$ 1,464,050
Tallet el-Khayat	\$ 4,250	319	\$ 1,355,750
Furn el Hayek	\$ 4,250	373	\$ 1,585,250
Georges Haimari - Sassine	\$ 4,200	358	\$ 1,503,600
Caracas	\$ 4,125	228	\$ 940,500
Koraytem	\$ 4,100	295	\$ 1,209,500
Hamra	\$ 4,000	217	\$ 868,000
Gemmayzeh	\$ 3,875	336	\$ 1,302,000
Sanayeh - Spears	\$ 3,850	222	\$ 854,700
Mar Mitr	\$ 3,375	199	\$ 671,625
Sodeco - Monnot	\$ 3,350	287	\$ 961,450
Mar Mikhael - Kobayate	\$ 3,275	169	\$ 553,475
Badaro	\$ 3,200	200	\$ 640,000
Sioufi - Hay Sirian	\$ 3,100	202	\$ 626,200
La Sagesse - Geitaoui	\$ 3,000	164	\$ 492,000
Grand Lycee - Hotel Alexandre	\$ 2,975	148	\$ 440,300
Rizk Hospital - Nazareth - Corniche du Fleuve	\$ 2,950	206	\$ 607,700

Source: RAMCO, Le Commerce du Levant, BLOMINVEST

Annex Graph 2: Average Value per Built Real Estate Transaction per Region by November



Source: Lebanese Cadastre Registry

Annex Table 3: Compiled Average Price per SQM in Selected Neighborhoods in Beirut in 2013 and 2015

	Average Price Per SQM in 2013	Average Price Per SQM in 2015	% Change
Ramlet el Baida	\$ 6,300	\$6,750	7.1%
Manara	\$5,500	\$6,250	13.6%
Beirut Central District	\$ 6,750	\$6,000	-11.1%
Ain el Mreisseh	\$6,000	\$5,750	-4.2%
Raouche - Sakiet el Janzir	\$6,100	\$5,400	-11.5%
Sursock	\$5,150	\$5,150	0.0%
Saifi	\$5,000	\$4,900	-2.0%
Verdun - Ain el Tineh	\$5,000	\$4,575	-8.5%
Clemenceau - Kantari	\$4,300	\$4,450	3.5%
Tallet el-Khayat	\$ 3,900	\$4,250	9.0%
Furn el Hayek	\$3,900	\$4,250	9.0%
Georges Haimari - Sassine	\$3,750	\$4,200	12.0%
Koraytem	\$4,300	\$4,100	-4.7%
Hamra	\$4,700	\$4,000	-14.9%
Gemmayzeh	\$4,350	\$3,875	-10.9%
Sanayeh - Spears	\$4,275	\$3,850	-9.9%
Sodeco - Monnot	\$4,100	\$3,350	-18.3%
Sioufi - Hay Sirian	\$2,900	\$3,100	6.9%
Rizk Hospital - Nazareth-Corniche du Fleuve	\$3,200	\$2,950	-7.8%

Source: BLOMINVEST, INFOPRO, RAMCO, Le Commerce du Levant

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