



# KFH Report on Local Real Estate Market

2<sup>nd</sup>  
Second Quarter



/2023

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## Introduction

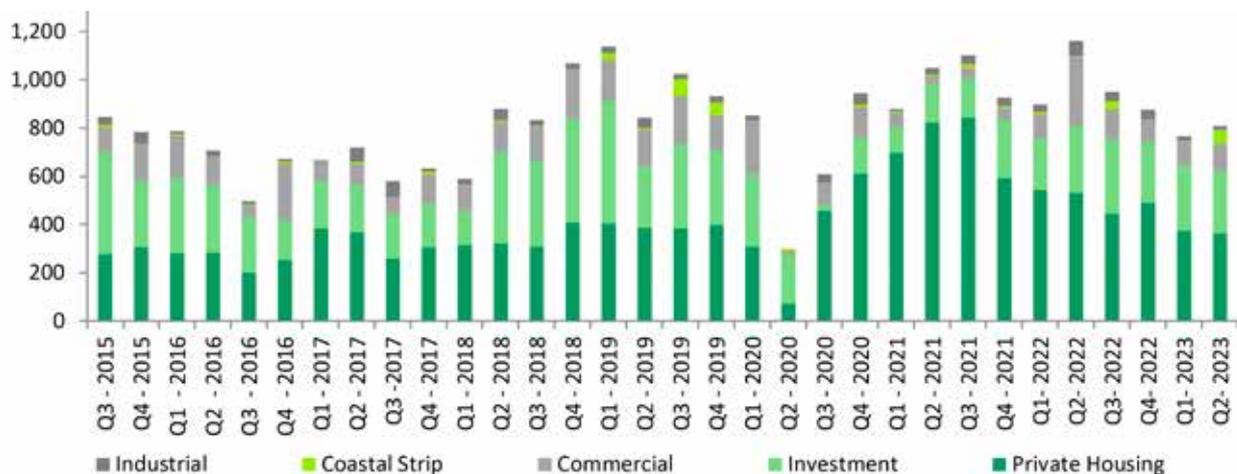
Real Estate trade value declined during the second quarter of 2023 recording KD 767mn. It is the fourth-lowest quarterly level within five years, following its exceptionally low level in the first three quarters of 2020 during the Covid-19 crisis. Thus, continuing its downward trend since mid-2021, a decrease by 4.4% of its value that reached KD 803mn in Q1 2023, driven by a quarterly decline in the value of private housing trading value and the decrease of investment real estate value during Q2 2023. Whereas the commercial real estate and the coastal strip real estate rose remarkably to an unprecedented level in light of the Ministry of Finance resolution to amend the registration fees and reduce the state fees collected in exchange for waiving the right to exploit chalets.

Several factors have contributed to the decline of trading value during this quarter i.e. reduced trading days, reduced working hours during the month of Ramadan, Eid Al-Fitr holiday which coincided with the start of this quarter and Eid Al-Adha which came at the end of the second quarter of 2023. In addition, the savings attraction and the higher rates of return on deposits have channeled the available liquidity into savings, as well as routing some of this liquidity to investment channels including buying shares, or towards other channels such as gold, which continued to rise during Q2 2023. Amidst the contraction in the size of real estate funding and increases in discount rates, demand for the real estate sector declined during Q2 2023.

The number of real estate deals declined in the 2nd quarter of 2023, reaching their second lowest level in the last five years. The deals numbered 1,061 declining by 5.4% from their numbers in the first quarter of 2023 on account of weak demand on the real estate sector driven by decline in demand on private residence, and investment real estate. Whereas the demand for commercial real estate increased, in which it was a remarkably active on the coastal strip and craftsmanship real estate.

Private residence trades in 2nd quarter 2023 reached KD 363mn, a decline by 3% from the previous quarter. Demand declined to 742 deals, a contraction by 5.1% for the same period. Investment real estate trades amounted to KD 200mn in the 2nd quarter 2023 declined by 22%, with demand weakening by 9% to 280 deals, while it remained buoyant in the commercial real estate recording KD 114 million, a quarterly increase of 19% with demand increasing to 20 deals by 5.3% compared to the first quarter 2023.

**Figure (1) Value of Real Estate Trade**



Source: Ministry of Justice - KFH

## Market Trends:

Private residence prices declined slightly by the end of the 2nd quarter 2023 from their levels in the previous quarter, recording their second quarterly decline in three years. Thus, recording the first annual decline in nearly five years after recording a significant increase rate in the last two years. Investment real estate prices continue to stabilize without quarterly change. Therefore, the annual increase in investment real estate prices slowed down by 1.6% as at the end of the second quarter 2023. Commercial real estate prices declined slightly on quarterly basis, with their increases slowing down to 1.1% in the second quarter against 7% in the middle of last year 2022.

Chalets prices did not record any change by the end of Q2 2023 compared to Q1 2023. Chalets Prices have remained almost the same since the beginning of last year 2022. Prices in areas of Khiran and Sabah Al Ahmad Sea city did not record a quarterly change, which are included in the coastal and chalets real estate category as private residence real estate in the Ministry of Justice classification. These have gained in popularity for residence driven by buyers seeking larger spaces and places with more entertainment potential. Average price per meter stabilized by the end of Q2 2023 without y-o-y or q-o-q basis. Chalets prices in Bneider area, which is considered the higher among the coastal line areas, did not record a quarterly change. Chalet prices stabilized in Nuwaiseeb area, which is the lowest area in prices among the coastal line areas in AlAhmadi Governate.

Prices in most residential areas stabilized by the end of 2nd quarter 2023 on a quarterly basis with the exception of some which slightly declined. Prices remained unchanged in the Shuwaikh residential area without any quarterly change, therefore remaining the highest of the residential areas in the Capital. Prices also stabilized in the Bidaa and Shaab areas without quarterly change. Both have the highest private residence prices in Hawally Governorate.

In Farwaniyah Governorate, prices remained unchanged on quarterly basis in most areas, such as Al Farwaniyah area, Jleeb Al Shuyoukh and most areas in the governorate. Prices in Mubarak Al Kabeer witnessed no changes on quarterly basis in the second quarter 2023, driven by prices stabilizing in Al Masayel, Funaitis and Abu Futaira residential areas which had recorded the largest decline in the governorate in Q1 2023. In Ahmadi, prices stabilized in most areas including Egaila, Sabah Al Ahmad Sea City and Al Dhahar, whereas prices declined by nearly half a percentage point in Mangaf area compared to the first quarter 2023. In Jahra Governorate, prices stabilized in the first and the second quarters 2023 in most areas, with Ouyoun, the area with the highest prices, followed by Waha remaining unchanged on quarterly basis. However, prices in Qairawan area declined by about 1% on a quarterly basis.

The Average price in the investment real estate in all Governorates did not record a quarterly change by the end of Q2 2023, whereas it registered a slight annual increase of 1.6%.

Prices of investment real estate in Dasman, Muqwaa, Bneid Al-Qar, Al-Riggae and Sabah Al Salem stabilized compared to Q1 2023. Prices in Muqwaa and Bneid Al-Qar areas recorded an annual increase by about 4%, and around 5% in Al-Riggae and Sabah Al Salem areas. Jahra investment area did not record a quarterly change, whereas it rose by 3.1% on an annual basis.

The average price of commercial meter in all Governorates registered a slight decline by 0.1% on a quarterly basis by the end of Q2 2023. The annual increase slowed down recording 1.1% after it had recorded an increase of 7% in mid-2022. Meanwhile, average prices in the industrial real estate stabilized q-on-q while it recorded a slow annual increase by 1.6% at the end of Q2 against an annual increase of 9.2% in the end of 2022. The average price of craftsmanship areas did not record a quarterly change but registered a slight annual increase of 0.2% at the end of Q2 2023.

According to the Central Bank of Kuwait data for the 2nd quarter of 2023 issued in May, the credit directed

to the real estate and construction sectors declined slightly by 0.5% compared to the end of Q1 2023, with a slight increase of 2.0% compared to Q2 of 2022, exceeding KD 11.6 billion or 24.8% of the provided credit accompanied by an annual increase of provided credit in most economic sectors. Credit for individuals slowed down to about KD 18.5 billion, an increase of KD 41.5 million only in the first quarter 2023, and higher by 3.8% compared to Q2 2022. The increase in the instalments of credit facilities slowed down to 4% for the same period. These are facilities granted to individuals wishing to build residential units in the private residence sector, which alone accounts of 8.33% of the provided credit and exceeding KD 15.8 billion.

Consequently, the upward trend of the credit facilities provided to the real estate activity continues. This helped drive it further up to exceed KD 46.9 billion by the end of month of May quarter 2023, higher by 2.5% compared to Q2 2022.

Total credit facilities to the real estate activity exceeded KD 24.6 billion, without change compared to Q1 2023, therefore the annual increase slowing down by 3.2% compared to Q2 2022. These balances represent 58.6% of the credit facilities provided by the local banking sector.

As for the developments in the prices of local real estate, by the end of 2nd quarter 2023 the average price of a square meter calculated on the basis of residential areas in Kuwait reached KD 1,071 for a private residence real estate. The average meter price in the investment real estate reached KD 1,592. In commercial real estate, the average price calculated at the commercial areas level reaches KD 4,243 for a square meter.

The average meter price for ownership flats in investment real estate with areas of 95 sq. m. and 70 sq. m. did not record a change at the end of Q2 2023 in most Governorates areas recording KD 899, unchanged compared to the previous quarter, with a slight annual decline of 0.3%. The average price in the Capital Governorate registered KD 1,090 at the end of Q2 2023 without quarterly change. The price stabilized in the Hawally Governorate at around KD 1,012, in Farwaniyah at KD 796, in Mubarak Al Kabeer Governorate it reached KD 1,091 and in Ahmadi to KD 764 by the end of Q2 2023.

As for the rental value of flats in investment real estate, the general average recorded KD 335, a quarterly increase of 2.1% and higher by 2.6% annually. The average rental value in the Capital Governorate stood at KD 363, an increase of 3.4% on a quarterly and an annual basis. In Hawally Governorate, it was KD 356, higher by 3.5% on an annual basis. In Farwaniyah Governorate, it stood at KD 329, with an annual increase of 2.3%, while in Mubarak Al Kabeer Governorate it was KD 350, 2.9% annual increase. In Ahmadi Governorate, it was KD 294, an annual increase of 1.4%. In Jahra the average rose to KD 323 at the end of Q2 2023, recording a slight increase of 0.8% on an annual basis.

The average rental value of private residence in the Capital was KD 853, an annual decrease by 0.9%, whereas in Hawally, it was KD 774, a quarterly increase of 1.3%, and slightly lower by 0.6% on an annual basis. In Farwaniyah it was KD 590, a quarterly decrease of 2.2% with an annual increase of about 1.1%. It remained unchanged in Ahmadi at KD 558, as well as in Mubarak Al Kabeer by which was KD 657, without quarterly change, but recorded a slight increase of 0.3%. In Jahra, it recorded KD 502 by end of Q2 2023, recording a minor quarterly decrease of 0.2% as well as on an annual basis.

World economy is still plagued by inflation and increasing prices, with governments and banks trying to limit their negative effects. In Kuwait the inflation rate was lower with the consumer price index recording 129.4 points according to the latest data from the Central Statistical Bureau at end of May 2023. The inflation rate accelerated since the beginning of 2023 recording an annual rate of 3.7% which is lower than Q2-2022 rate of 4.5%. There has been a variable increase in the prices of the benchmark components, with the prices in the residential services component recording an annual inflation rate of 2.6% in May 2023.

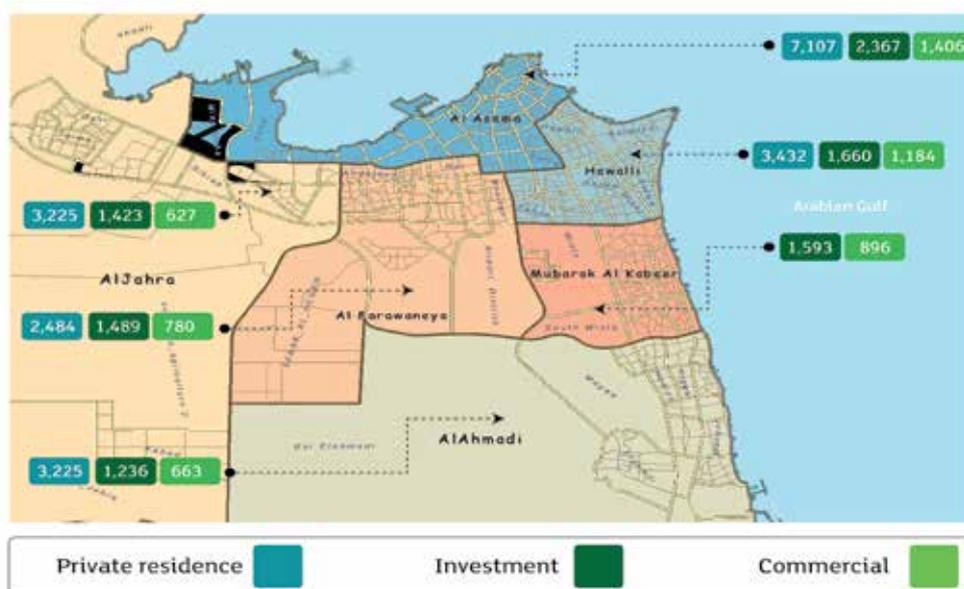
**Table (1) Real Estate Traded Value**

	Private Housing	Investment	Commercial	Coastline	Craftsmanship Industrial and Warehouses	Total trades
Q2 2021	825	165	31	17	28	1,067
Q3 2021	843	240	40	7	60	1,191
Q4 2021	592	215	52	9	33	901
Q1 2022	543	276	102	2	29	952
Q2 2022	532	311	288	32	63	1,227
Q3 2022	443	253	124	-	41	861
Q4 2022	492	276	91	2	42	902
Q1 2023	373	257	96	58	18	802
Q2 2023	363	200	114	72	17	767

## Land Prices in 2<sup>nd</sup> Quarter 2023

The average price of meter in private residence in the Capital Governorate stabilized at KD 1,406 at the end of 2nd quarter 2023. It reached KD 2,367 in the investment real estate and was much higher in the commercial real estate reaching KD 7,107 at end of 2nd quarter 2023. In Hawalli Governorate, the average price of meter in private residence decreased to around KD 1,184, while it stabilized at KD 1,660 in the investment real estate, with the average price in the commercial real estate decreasing at around KD 3,432. In Farwaniyah, the average price for private residence was KD 780, without change in the investment real estate which recorded KD 1,489, while it reached KD 2,471 in the commercial real estate.

**Average price per square meter on various real estate sectors on Kuwait governorates as at the end of Q2 of 2023**



## Trends in real estate sectors trades

Private residence trades represented 47% of the real estate trades in the 2nd quarter 2023. They remain

top of the real estate sectors in light of its share increasing from 46% in the first quarter 2023. The share of the investment real estate declined but still ranked second with a share increase of 26.1% in Q2 2023 compared to 32% in the first quarter 2023. Meanwhile, the share of commercial real estate trades increased to 14.9% compared to 12% in the first quarter 2023. The share of the handicraft and industrial real estate trades stabilized representing 2.2% of Q2 and Q1 2023 trades. Trades in the coastal real estate were buoyant at 9.4% compared to 7.2% of real estate trades in the first quarter 2023.

Figure (2) Total real estate trading value

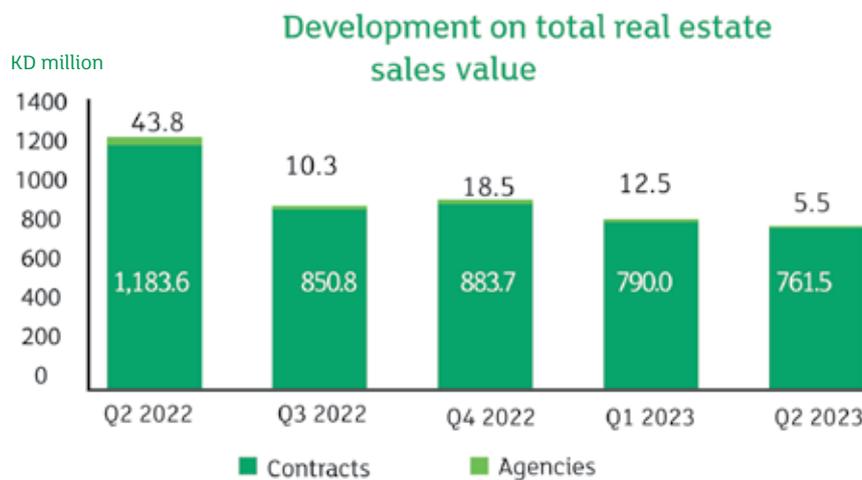
Figure (3) Distribution of real estate transactions



## Total real estate trades in the 2<sup>nd</sup> quarter 2023

According to data of the Registration and Documentation Department in the Ministry of Justice, the value of real estate trades decreased to about KD 767 million in the 2nd quarter 2023, a rate of 4.4% compared to KD 803 in the first quarter 2023 and lower by 37.5% at an annual basis.

Figure (4) Total real estate transactions value

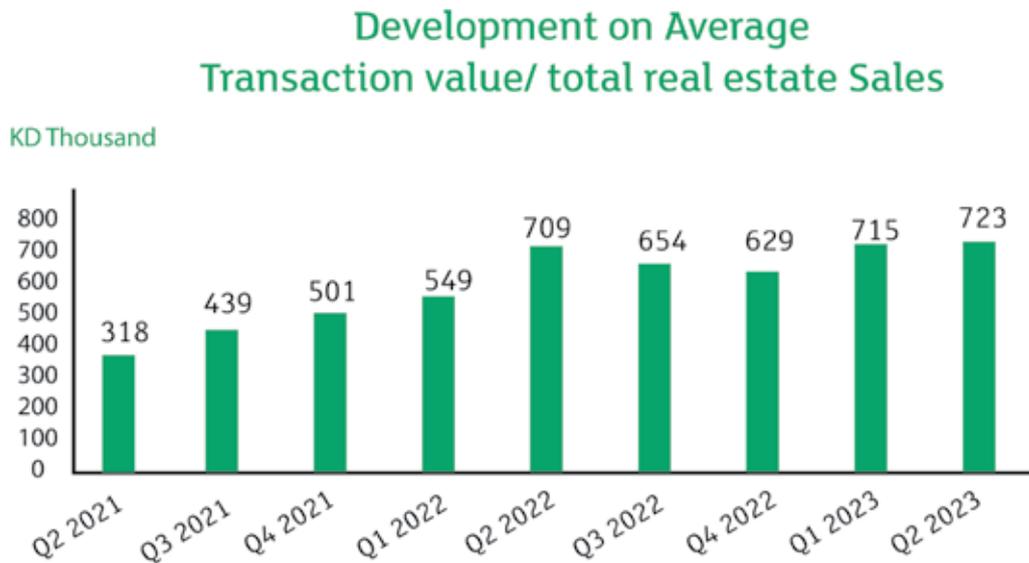


Source: Ministry of Justice – KFH

The index of the average value of the total real estate deals went up to KD 723 thousand by the end of the 2nd quarter 2023, a limited increase by 1.1% compared to the first quarter 2023 and higher by 1.9% on an annual basis.

The total number of traded deals decreased by 5.4% on a quarterly basis to 1,061 deals and by 39% on an annual basis, driven by a noticed annual decrease in the number of deals in private, investment and commercial residence.

**Figure (5) Average transaction value of Total Real Estate Sales**



Source: KFH

## Private Residence Trends

Real estate trades for private residence declined to KD 363 million or 3% compared to the first quarter 2023. They are considered lower by 32% on an annual basis.

**Figure (6) Development on Private Housing Real Estate Sales**

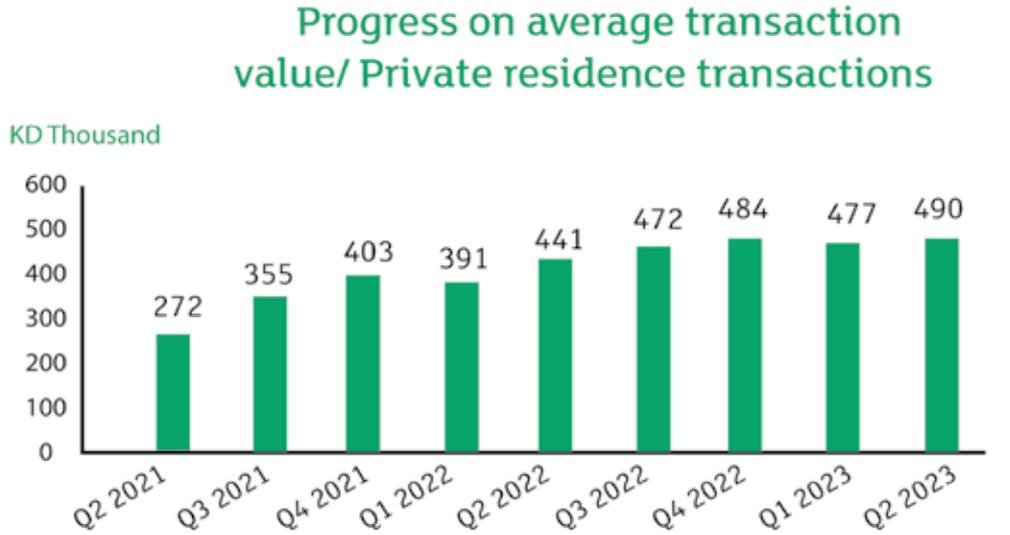


Source: Ministry of Justice – KFH

The average value of a deal on private residence increased to KD 490 in the 2nd quarter 2023, a rate of 2.7% on a quarterly basis, while it was 11% higher on an annual basis.

The number of trading deals in private residences during Q2 2023 decreased to its lowest level since 2016 with the exception of the 2nd quarter 2020, the covid 19 period, when it recorded an exceptionally low level. In the 2nd quarter of 2023, the number of deals reached 742 deals lower by 5.1% compared to the previous quarter and lower by 38% on an annual basis.

**Figure (7) Average Transactions Value of the Private Residence Transaction**

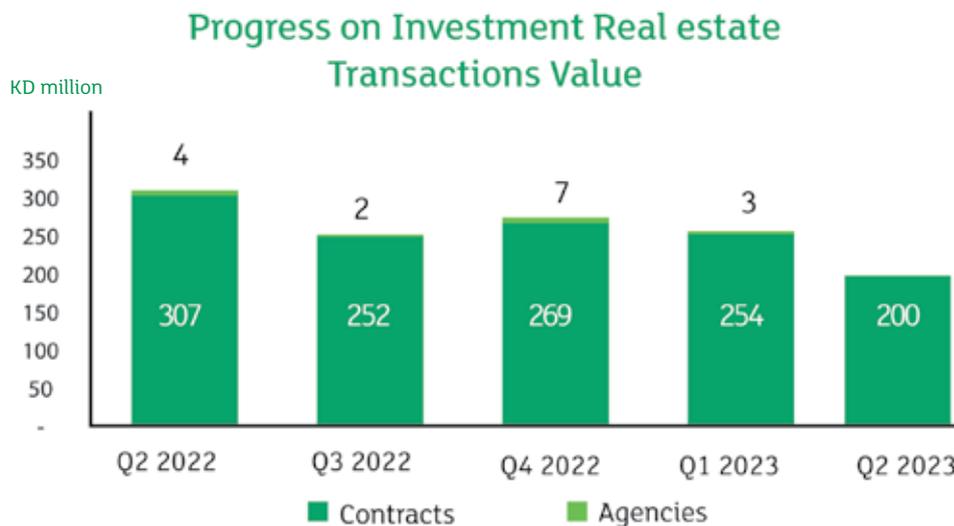


Source: KFH

## Investment Real Estate Trends

The value of investment real estate deals declined to KD 200 million during the 2nd quarter of 2023, a decline of 22% compared to the first quarter 2023, and lower by 36% on an annual basis.

**Figure (8) Value of Investment Real Estate Deals**

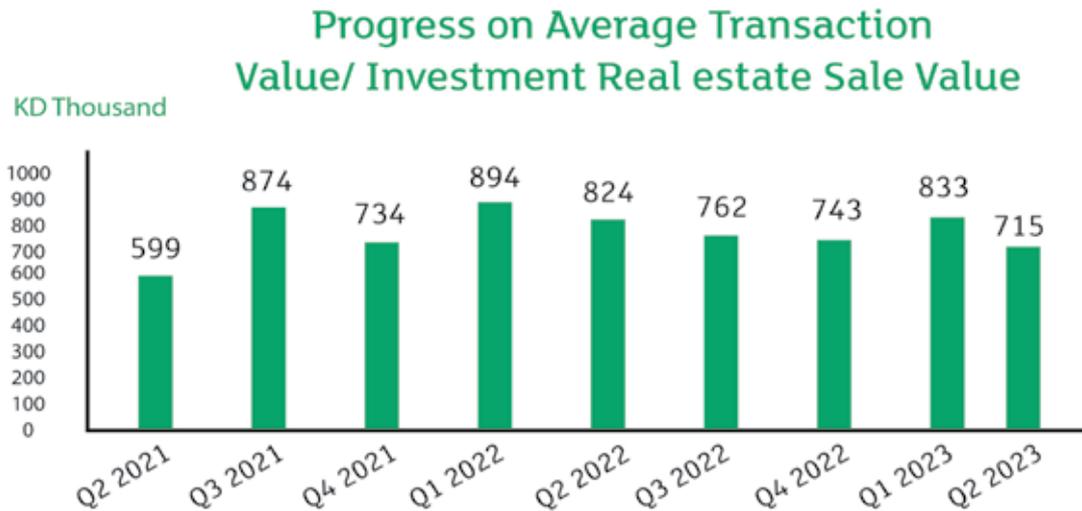


Source: Ministry of Justice – KFH

The average value of investment real estate deals declined to KD 715 thousand in the 2nd quarter 2023, a decrease of 14% compared to the previous quarter and lower by 13% on an annual basis.

The number of investment real estate deals declined to 280 deals in the 2nd quarter 2023, or by 9% compared to the previous quarter, and lower by 26% on an annual basis.

**Figure (9) Average Transactions Value of Investment Real Estate Sales**

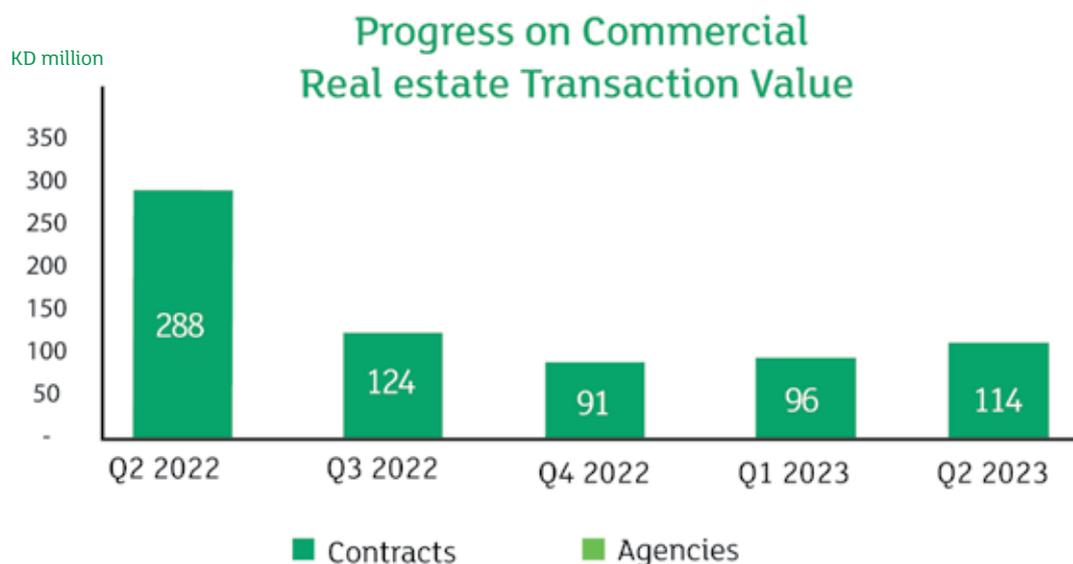


Source: KFH

## Commercial Real Estate Trends

The buoyant of commercial real estate trading value recorded KD 114 million in Q2 2023, higher by 19% compared to Q1 2023. While it is considered lower by 60% of its exceptional rate in Q2 2022, which indicates a fluctuation in demand on commercial real estate, small companies and offices sectors.

**Figure (10): Value of Commercial real estate transactions**

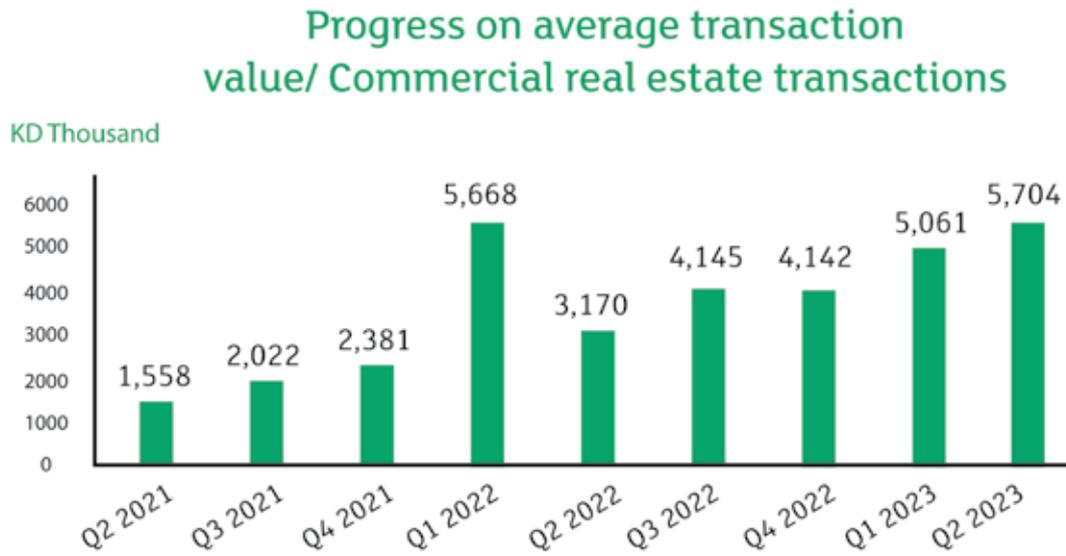


Source: Ministry of Justice – KFH

The average value of a deal in commercial real estate exceeded KD 5.7 million, higher by 12.7% compared to the first quarter 2023, and by 80% on an annual basis.

The number of deals in the commercial sector rose by 5.3% in the 2nd quarter to 20 deals compared to 19 deals in the previous quarter, while it is lower by 78% on an annual basis.

**Figure (11) Average Transactions Value of Commercial Real Estate Transactions**



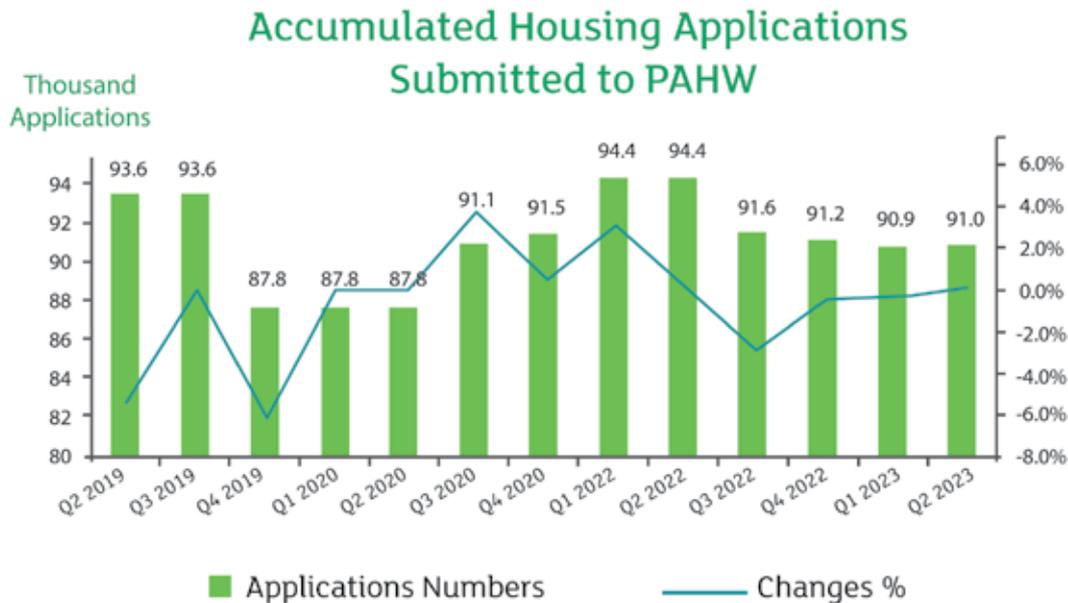
Source: KFH

## Second: State Projects and Housing Project

The State of Kuwait aims to become an attractive financial and commercial hub for investment, through several suggested projects and infrastructure projects executed by the Ministry of Public Works and the Public Authority for Housing Welfare (PAHW), in addition to model intelligent houses and their public buildings and services in Jaber Al Ahmad, West Abdullah Al Mubarak and East Taima, as well as housing projects developed by the Authority according to technical conditions it set for executing the new residential cities. This number meets part of the accumulating housing demand.

According to its latest report in June 2023, PAHW succeeded in meeting the existing housing applications. However, the current housing applications slightly increased until June 2023 to 91 thousand applications compared to Q1 2023. PAHW succeeded in reducing the applications volume by 3.6% on an annual basis. The State is still going ahead with providing and distributing residential units and land. Further, PAHW succeeded in executing its plan in accordance with the table of distributing residential units of an area of 400 sq. m. for the plot. The PAHW data published on the latest update of its website announced the distribution of all 520 residential suburbs in Sabah Al Ahmad City project. It also distributed 6,533 thousand residential units out of a total of 24,509 thousand residential units in South Saad Al Abdullah project. PAHW also announced new housing projects which is the distribution of 11 residential suburbs including the South Sabah Al Ahmad City project (17.6 residential units) out of a total of 20.4 thousand which include 545 public buildings in the entire project.

**Figure (12) Accumulated Housing Applications**



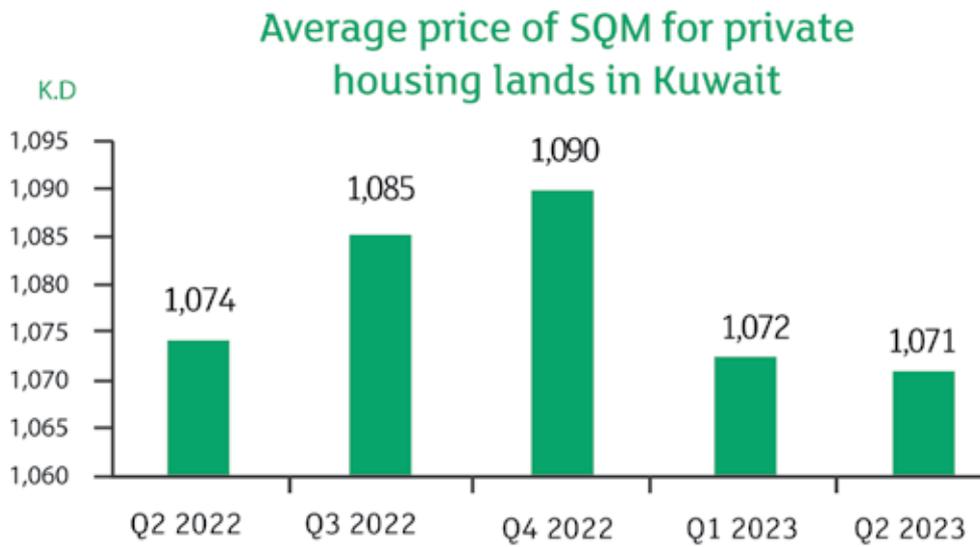
Source: Public Authority for Housing Welfare & Kuwait Finance House

The Public Authority for Housing Welfare continue its efforts to execute several residential units already planned for, including the execution of infrastructure projects in East Sabah Al Ahmad City, Sabah Al Ahmad apartments' area, Wafra expansion project, in addition to many projects, according to available data which includes executing low-cost residences at a total cost of about KD 855.9 million for 9,800 units.

### First: private residence land prices

Amid the calm demand on private residence, prices slowed down in the State of Kuwait. This might be due to two major reasons; the first is the availability of other investment and saving opportunities in light of the discount rate continuous increase. The second is that the consecutive increases in discount rates by central banks around the world contributed to limiting the chances of obtaining funding. This led to a contraction of available liquidity and a decrease in financial ability to buy private residence land, which caused a decrease in demand on private residence real estate which started in 2022 and continued till 1st quarter 2023 with variable prices for real estate and land in this rather rare category.

Price levels in governorates began to contract by end of 2nd quarter 2023 after consecutive increases in the last three years, according to Kuwait Finance House data. The average price recorded a slight decline to KD 1,071 by end of 2nd quarter 2023, lower by 0.1% compared to the first quarter 2023. Thus, prices declined by 0.3% compared to annual increases of 17% in mid-2022.

**Figure (13) Average Price per Meter for Private Residence in Kuwait**

Source: KFH

The average price of square meter by the end of Q2 2023 slightly decreased compared to the first quarter 2023. This meant an annual slowing down of private residence prices increase in some governorates, while it declined in the rest of the governorates. In the Capital Governorate, the average price stabilized without change compared to the first quarter of 2023, while recording a slight increase of 1% on an annual basis. In Jahra Governorate, the average price registered a limited annual increase of nearly 0.5%. In Farwaniyah it stabilized, unlike Hawally governorate in which the average price declined by about 1% and by 2.7% in Ahmadi and by 1.1% in Mubarak Al Kabeer on an annual basis.

### **The Capital Governorate**

The average square meter price in the private residence real estate in the Capital Governorate witnessed a slight stability on a quarterly basis by end of 2nd quarter 2023 recording KD 1,406. Price levels in the Governorate continued to decrease with slowing down of annual increase rates to 1% in the 2nd quarter, almost quarter of its annual increase in the previous quarter.

Figure No. (14) Price per meter for private residence lands in the Capital Governorate

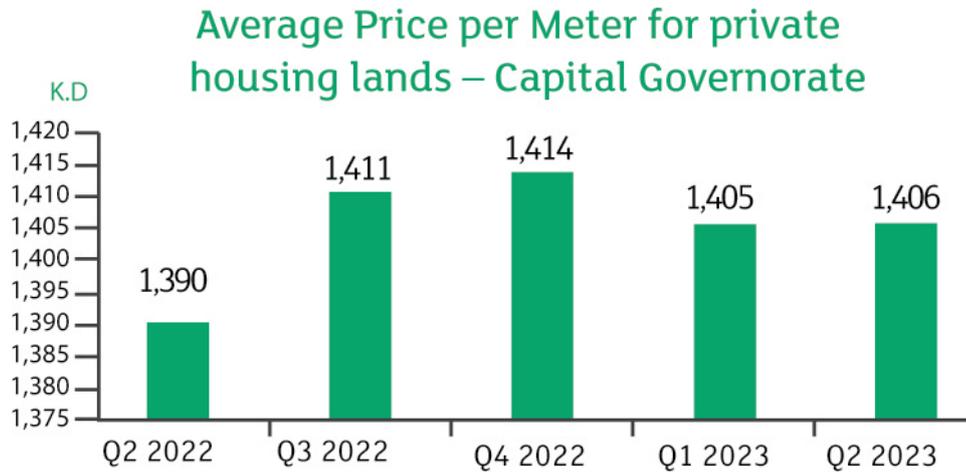


Figure (15) price per meter for private residence lands in areas of the Capital Governorate



Source: KFH

**Table (2) Prices of housing lands in the Capital governorate**

Area	Building percentage	Space	Street	Land market value (KD)		Market value per SQM (KD)		Average SQM by the end of Q2 2023
				From	To	From	To	
Shuwaikh Residential	210%	500	Internal	1,150,000	1,400,000	2,300	2,800	2,550
	210%	500	Main	1,400,000	1,600,000	2,800	3,200	3,000
	210%	1,000	Internal	1,900,000	2,350,000	1,900	2,350	2,125
	210%	1,000	Main	2,350,000	2,650,000	2,350	2,650	2,500
General average in the area				1,840,000	2,160,000	2,350	2,760	2,555
Abdullah Al-Salem	210%	500	Internal	960,000	1,175,000	1,920	2,350	2,135
	210%	1,000	Internal	1,550,000	1,820,000	1,550	1,820	1,685
	210%	1,000	Sanaa	2,300,000	2,700,000	2,300	2,700	2,500
General average in the area				1,573,333	1,895,833	1,888	2,279	2,084
Rawda	210%	375	Internal	510,000	610,000	1,360	1,627	1,493
	210%	600	Internal	680,000	820,000	1,133	1,367	1,250
	210%	750	Internal	815,000	975,000	1,087	1,300	1,193
	210%	750	Main	965,000	1,200,000	1,287	1,600	1,443
General average in the area				824,000	981,000	1,203	1,439	1,321
Mansouriya	210%	750	Internal	800,000	1,000,000	1,067	1,333	1,200
	210%	750	Main	1,000,000	1,200,000	1,333	1,600	1,467
	210%	1,000	Internal	1,050,000	1,240,000	1,050	1,240	1,145
General average in the area				1,022,500	1,222,500	1,173	1,406	1,289
Qurtuba	210%	500	Internal	530,000	630,000	1,060	1,260	1,160
	210%	750	Internal	670,000	800,000	893	1,067	980
	210%	1,000	4th ring road	1,100,000	1,200,000	1,100	1,200	1,150
General average in the area				766,667	876,667	1,018	1,176	1,097
Gernata	210%	500	Internal	400,000	480,000	800	960	880
	210%	750	Internal	520,000	625,000	693	833	763
	210%	1,000	Jahra Road	680,000	750,000	680	750	715
General average in the area				580,000	663,750	723	836	780
Dasma	210%	500	Internal	485,000	600,000	970	1,200	1,085
	210%	500	Main	600,000	700,000	1,200	1,400	1,300
	210%	750	Internal	650,000	780,000	867	1,040	953
General average in the area				628,750	747,500	1,019	1,213	1,116

Source: Kuwait Finance House

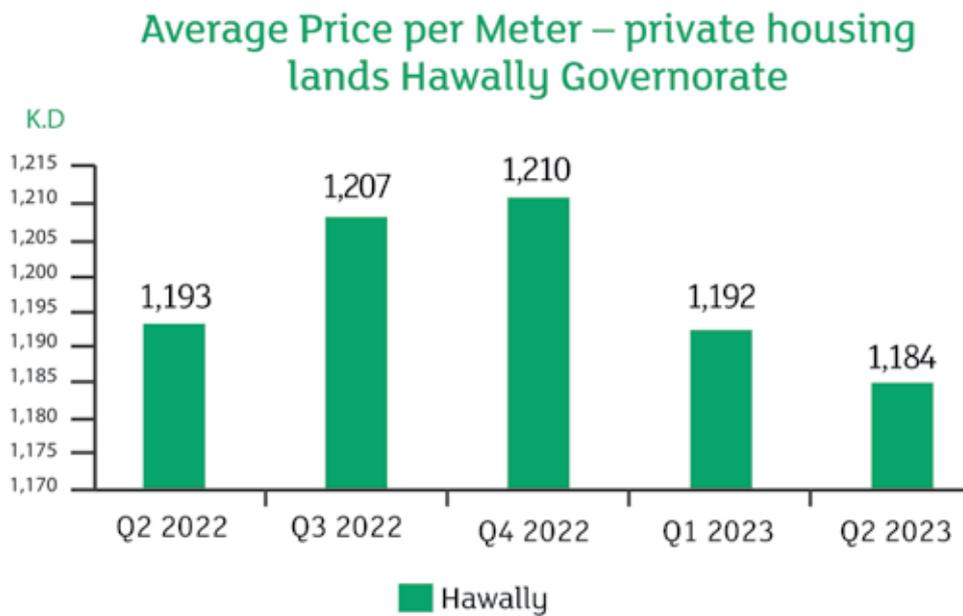
Note: The general average in the area as shown in the tables from 2 through 5 expresses the general average of several sales made by KFH evaluation thereof and were not included in the table of prices.

Accordingly, a reader cannot infer the general average in the area based only on sample prices in each area shown in such tables. However, he can rely on the general average per square meter in the area as a price index.

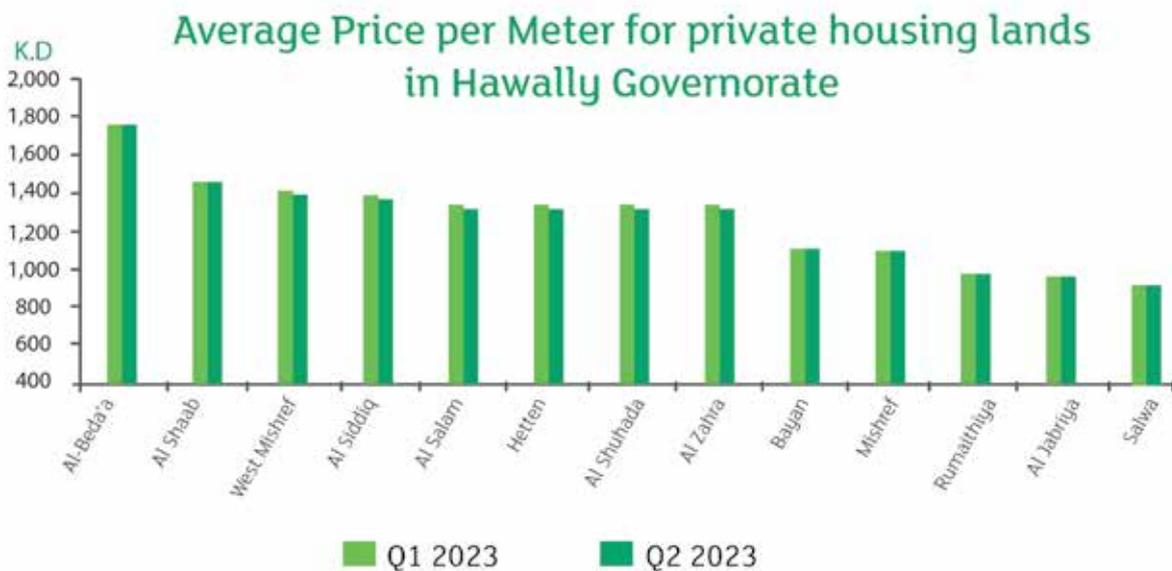
## Hawally Governorate

Prices of the private residence land in Hawally Governorate declined recording KD 1,184 by end of 2nd quarter 2023, with a slight decrease of 0.6% on a quarterly basis. It is noticed that the governorate recorded its first annual decline in five years by 1% at the end of Q2 2023, against continuous annual increases during that period which exceeded 15% by the end of 2021.

**Figure (16) price per meter for private housing lands in Hawally Governorate**



**Figure (17) price per meter for private housing lands in areas of Hawally Governorate**



Source: KFH

**Table (3) Prices of Housing Lands in Hawally Governorate**

Area	Building percentage	Space	Street	Land market value (KD)		Market value per SQM (KD)		Average SQM by the end of Q2 2023
				From	To	From	To	
Shaab	210%	400	Internal	530,000	650,000	1,325	1,625	1,475
	210%	400	Main	630,000	770,000	1,575	1,925	1,750
	210%	750	Internal	820,000	1,000,000	1,093	1,333	1,213
General average in the area				705,000	860,833	1,310	1,601	1,456
Jabriya	210%	400	Internal	385,000	460,000	963	1,150	1,056
	210%	500	Main	500,000	600,000	1,000	1,200	1,100
	210%	1000	Internal	690,000	820,000	690	820	755
General average in the area				556,667	660,556	882	1,045	964
Rumaithiya	210%	400	Internal	350,000	420,000	875	1,050	963
	210%	750	Internal	540,000	640,000	720	853	787
	210%	1000	Al-Ta'awon	1,140,000	1,240,000	1,140	1,240	1,190
General average in the area				592,778	697,778	894	1,061	978
Salwa	210%	500	Internal	380,000	460,000	760	920	840
	210%	750	Internal	520,000	600,000	693	800	747
	210%	1000	Al Aqsa	950,000	1,120,000	950	1,120	1,035
	210%	1000	Al-Ta'awon	1,150,000	1,260,000	1,150	1,260	1,205
General average in the area				675,000	780,714	847	986	917
Al-Salam	210%	400	Internal	460,000	560,000	1,150	1,400	1,275
	210%	400	Main	530,000	640,000	1,325	1,600	1,463
	210%	500	Internal	530,000	640,000	1,060	1,280	1,170
General average in the area				535,000	642,500	1,194	1,435	1,337
Mishref	210%	750	Internal	660,000	815,000	880	1,087	983
	210%	500	Main	635,000	770,000	1,270	1,540	1,405
	210%	1000	Internal	760,000	960,000	760	960	860
	210%	1000	Main	950,000	1,050,000	950	1,050	1,000
General average in the area				719,167	866,667	991	1,201	1,096
Al-Beda'a	150%	1000	Al-Ta'awon	1,400,000	1,570,000	1,400	1,570	1,485
	150%	1000	Waterfront	2,400,000	2,550,000	2,400	2,550	2,475
	150%	800	Internal	930,000	1,150,000	1,163	1,438	1,300
General average in the area				1,576,667	1,756,667	1,654	1,853	1,753

Source: Kuwait Finance House

Note: The general average in the area as shown in the tables from 2 through 5 expresses the general average of several sales made by KFH evaluation thereof and were not included in the table of prices.

Accordingly, a reader cannot infer the general average in the area based only on sample prices in each area shown in such tables. However, he can rely on the general average per square meter in the area as a price index.

## Farwaniyah Governorate

The average price for a meter in Farwaniyah Governorate recorded KD 780 by end of the 2nd quarter 2023, without change on quarterly or annual basis after recording continuous annual increases which slowed down to 3.3% in Q1 2023 compared to a 15.7% increase in the beginning of 2022.

Figure (18) price per meter for housing lands in Farwaniyah Governorate

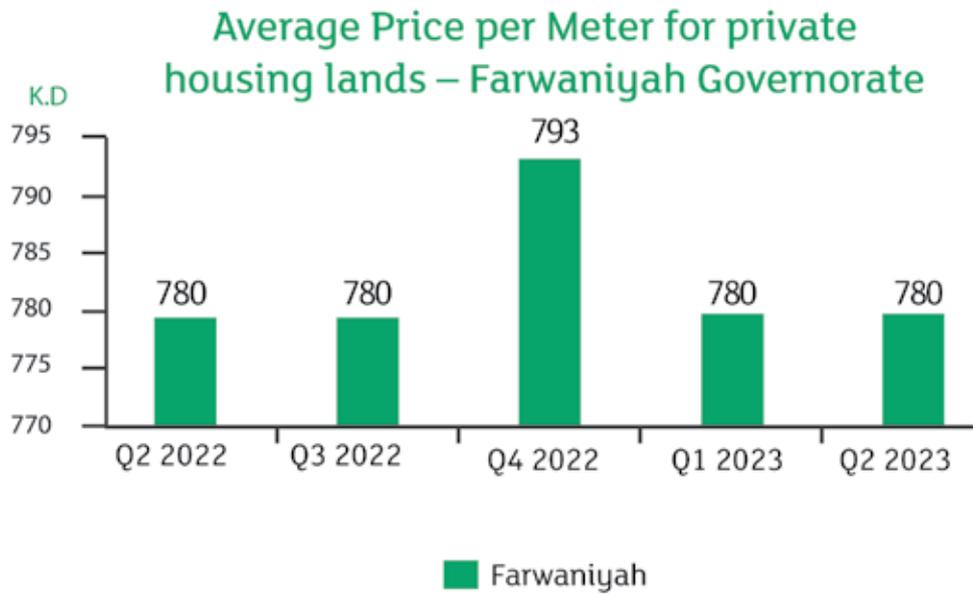


Figure (19) price per meter for housing lands in Farwaniyah areas



Source: KFH

**Table (4) Prices of Housing lands in Farwaniyah Governorate**

Area	Building percentage	Space	Street	Land market value (KD)		Market value per SQM (KD)		Average SQM by the end of Q2 2023
				From	To	From	To	
Al Andalus	%210	500	Main	365,000	405,000	730	810	770
	%210	750	Internal	405,000	455,000	540	607	573
General average in the area				402,000	451,000	626	703	665
Al Rabiya (An existing House)	%210	375	Main	305,000	345,000	813	920	867
Al Rabiya	%210	1000	Internal	550,000	590,000	550	590	570
General average in the area				427,500	471,250	665	742	704
Ishbilyah	%210	375	Internal	360,000	430,000	960	1,147	1,053
	%210	400	Main	450,000	535,000	1,125	1,338	1,231
	%210	500	Internal	410,000	480,000	820	960	890
General average in the area				420,000	495,833	997	1,178	1,088
Farwaniyah	%210	500	Internal	335,000	380,000	670	760	715
	%210	500	Main	385,000	435,000	770	870	820
General average in the area				360,000	407,500	720	815	768
Khaitan	%210	1000	King Faisal Highway	790,000	860,000	790	860	825
	%210	750	Internal	425,000	475,000	567	633	600
General average in the area				449,000	507,000	722	822	772
Jeleeb Al Shuyoukh	%210	750	Internal	390,000	440,000	520	587	553
	%210	750	Main	440,000	480,000	587	640	613
General average in the area				415,000	460,000	553	613	583
Ardiya	%210	600	Main/ internal	350,000	420,000	583	700	642
	Up to 800 sqm	300	Internal	250,000	310,000	833	1,033	933
General average in the area				327,500	395,000	741	897	819

Source: Kuwait Finance House

Note: The general average in the area as shown in the tables from 2 through 5 expresses the general average of several sales made by KFH evaluation thereof and were not included in the table of prices.

Accordingly, a reader cannot infer the general average in the area based only on sample prices in each area shown in such tables.

However, he can rely on the general average per square meter in the area as a price index.

### **Mubarak Al Kabeer Governorate**

The average price of a meter of private residence land in Mubarak Al Kabeer Governorate recorded KD 896 by end of 2nd quarter 2023 without quarterly change. It is noticed that prices in the governorate decreased by 1.1% on an annual basis.

Figure (20) prices per meter for private housing lands in Mubarak Al Kabeer Governorate

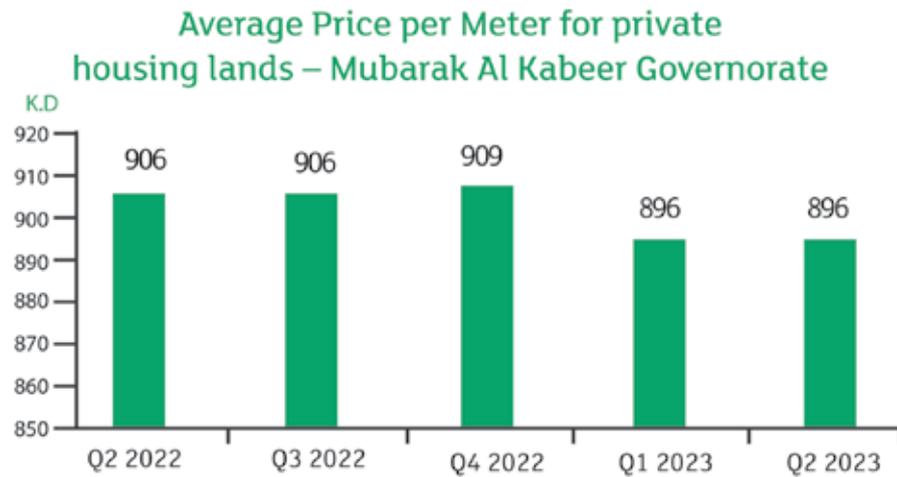


Figure (21) prices per meter for private housing lands in Mubarak Al Kabeer areas



Source: KFH

**Table (5) Prices of private housing lands in Mubarak Al Kabeer**

Area	Building percentage	Space	Street	Land market value (KD)		Market value per SQM (KD)		Average SQM by the end of Q2 2023
				From	To	From	To	
Al Masayel	210%	500	Internal	445,000	510,000	890	1,020	955
	210%	500	Main	500,000	590,000	1,000	1,180	1,090
General average in the area				451,250	522,500	1,010	1,169	1,089
Sabah Al Salem – Plots	210%	400	Internal	300,000	340,000	750	850	800
Sabah Al Salem – Government house	Up to 800 sqm	300	Internal / main	245,000	300,000	817	1,000	908
General average in the area				291,667	333,333	797	917	857
Abu Fatira Residential	210%	400	Internal	365,000	420,000	913	1,050	981
	210%	400	Main	415,000	465,000	1,038	1,163	1,100
General average in the area				412,500	467,500	923	1,046	984
Funaitees	210%	400	Main	440,000	490,000	1,100	1,225	1,163
	210%	500	Internal	425,000	490,000	850	980	915
General average in the area				431,250	500,000	965	1,119	1,042
Adan	210%	400	Main	335,000	365,000	838	913	875
	210%	400	Internal	300,000	345,000	750	863	806
General average in the area				318,750	353,750	797	884	841
Source: Kuwait Finance House								

Note: The general average in the area as shown in the tables from 2 through 5 expresses the general average of several sales made by KFH evaluation thereof and were not included in the table of prices.

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However, he can rely on the general average per square meter in the area as a price index.

## Ahmadi Governorate

Price levels in Ahmadi Governorate stood at KD 663 per meter by the end of Q2 2023, without quarterly change compared to Q1 2023 in which it recorded a quarterly decrease by 3.7%, thus decreasing the average price in the governorate by 2.7% on an annual basis.

Figure (22) price per meter for private housing lands in Ahmadi Governorate

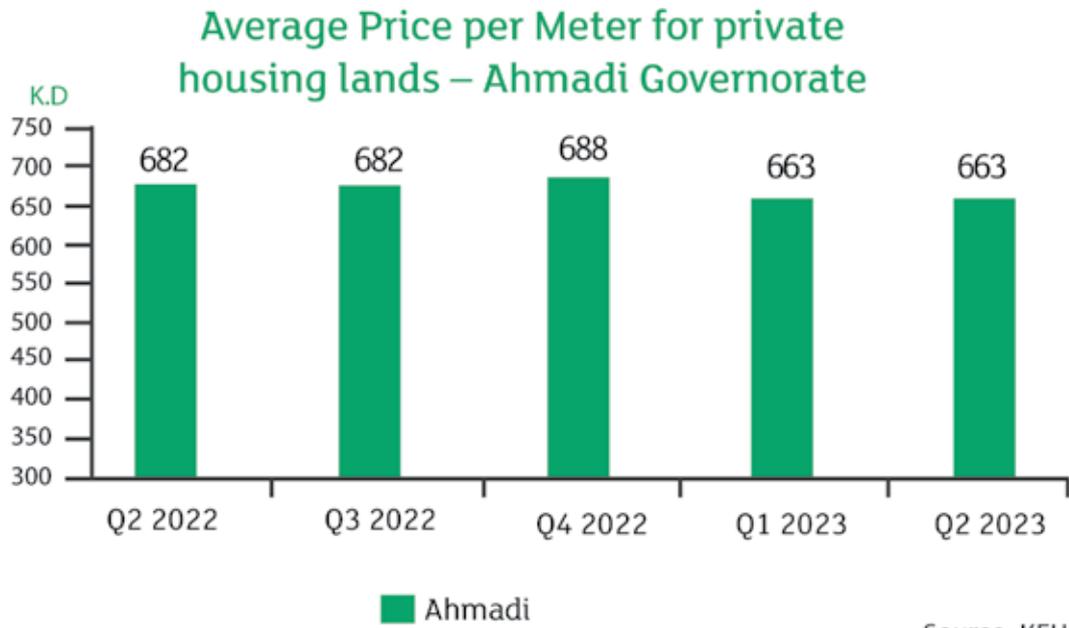
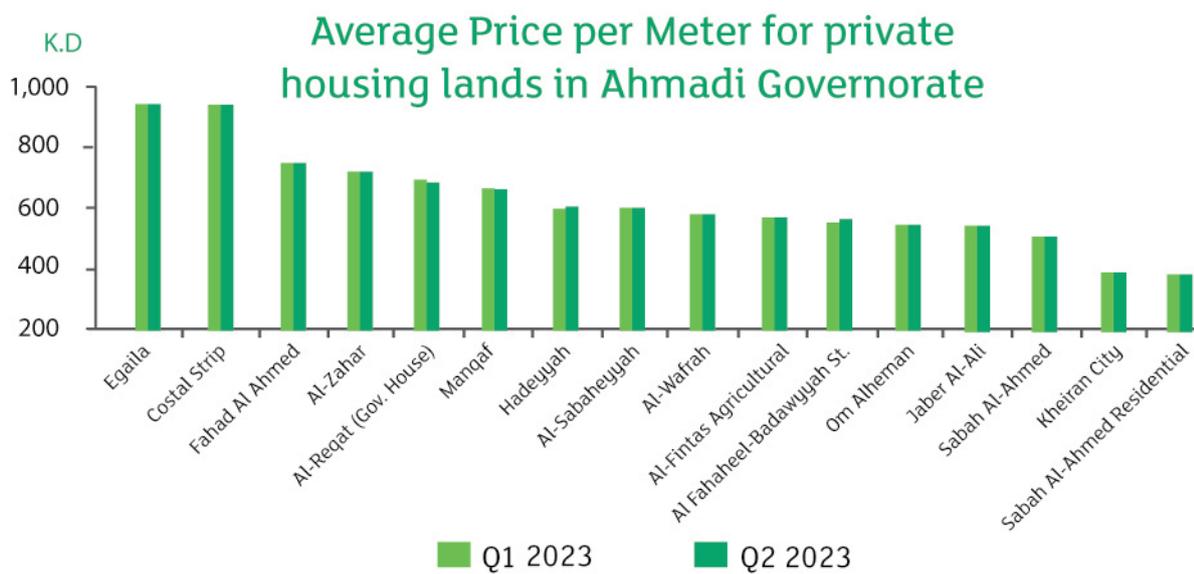


Figure (23) prices per meter for private housing lands in Ahmadi Governorate areas



**Table (6) Prices of housing lands in Ahmadi Governorate**

Area	Building percentage	Space	Street	Land market value (KD)		Market value per SQM (KD)		Average SQM by the end of Q2 2023
				From	To	From	To	
Fintas Agricultural Area	210%	1,000	Internal	480,000	570,000	480	570	525
	210%	1,000	Main	550,000	670,000	550	670	610
Egaila	210%	400	Internal	320,000	380,000	800	950	875
	210%	400	Main	375,000	450,000	938	1,125	1,031
Fahad Al Ahmad (existing government house)	210%	400	Main/ internal	280,000	325,000	700	813	756
Fahad Al Ahmad (plots)	210%	400	Main/ internal	270,000	320,000	675	800	738
Southern coastline – on sea	150%	2,000	Waterfront	2,600,000	2,700,000	1,300	1,350	1,325
Southern coastline - Internal	150%	750	Internal	450,000	520,000	600	693	647
Khiran Residential City	210%	400	Internal	135,000	175,000	338	438	388
Sabah Al-Ahmad Marine Area A1	210%	1,200	Waterfront	300,000	350,000	250	292	271
Sabah Al-Ahmad Marine Area A2	210%	1,200	Waterfront	375,000	600,000	313	500	406
Mangaf Residential	210%	600	Main	230,000	270,000	383	450	417
	210%	375	Internal	265,000	330,000	707	880	793

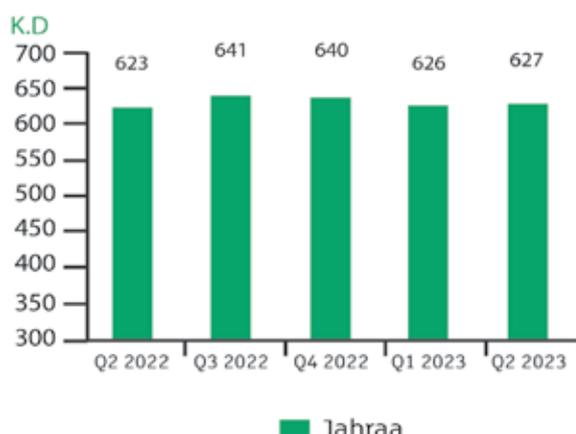
Source: Kuwait Finance House

## Jahra Governorate

Price levels for private residence lands in Jahra Governorate stood at KD 627 by end of the 2nd quarter 2023, witnessing a marginal stability on quarterly basis without change on y-o-y basis.

**Figure (24) prices per meter for private housing lands in Jahra Governorate**

### Average Price per Meter for private housing lands – Jahraa Governorate



**Figure (25) prices per meter for private housing lands in Jahra Governorate areas**

Source: KFH

**Table (7) Prices of housing lands in Jahra Governorate**

Area	Building percentage	Space	Street	Land market value (KD)		Market value per SQM (KD)		Average SQM by the end of Q2 2023
				From	To	From	To	
Al Qasr Al Nadi Street	210%	1000	Al Nadi Street	580,000	700,000	580	700	640
Al Qaser (an existing house)	210%	600	Internal	260,000	320,000	433	533	483
Al-Jahra Almutla' Street	210%	1000	Almutla' Street	580,000	690,000	580	690	635
Al Oyoun (Governmental house)	Up to 800 sqm	297.68	Internal/main	195,000	245,000	655	823	739
Al Naeem (Governmental house)	210%	400	Internal/main	205,000	245,000	513	613	563
Al Naseem (Governmental House)	210%	400	Internal/main	240,000	280,000	600	700	650
Al Waha (an existing house)	Up to 800 sqm	300	Internal/main	190,000	245,000	633	817	725
Saad Al Abdullah (Governmental House)	210%	400	Internal/main	250,000	300,000	625	750	688

## Second: Investment land Prices

The investment environment is surrounded by various risks including the negative implications of geopolitical tensions in the region, and global fears of continued high inflation rates which have never been recorded in the market before. However, it is noticed recently that the inflation rates are declining, and many investors are turning to the Real Estate sector as a safe haven and a source of wealth, which contributes to the resilience of real estate in the face of crises. It is noted that the increase of prices varies among real estate sectors, including investment real estate.

By the end of Q1 and Q2 2023, the average price of investment land stabilized to about KD 1,592 at governorates level, compared to a slight increase last year 2022. Price movements varied between different areas, as it witnessed a slower increase at 1.6% by the end of Q2 2023 compared to a higher than a double yearly increase in the preceding quarter.

Figure No. (26) Average price per meter for investment land in Kuwait

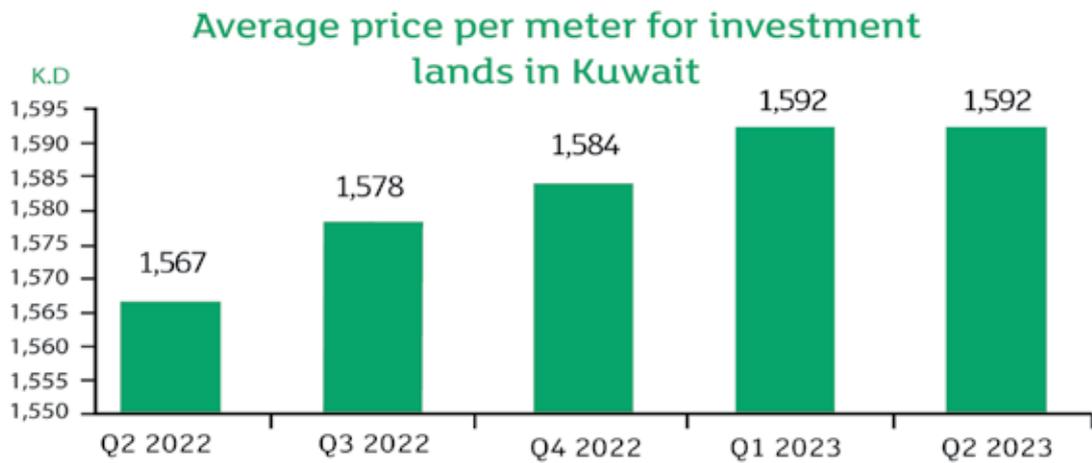
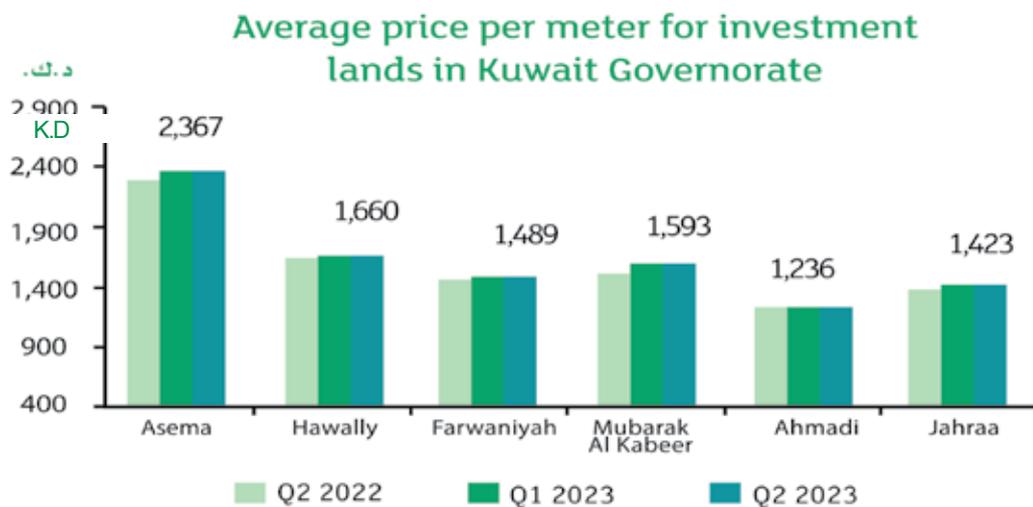


Figure No. (27): Price per meter for investment land in Kuwait Governorates

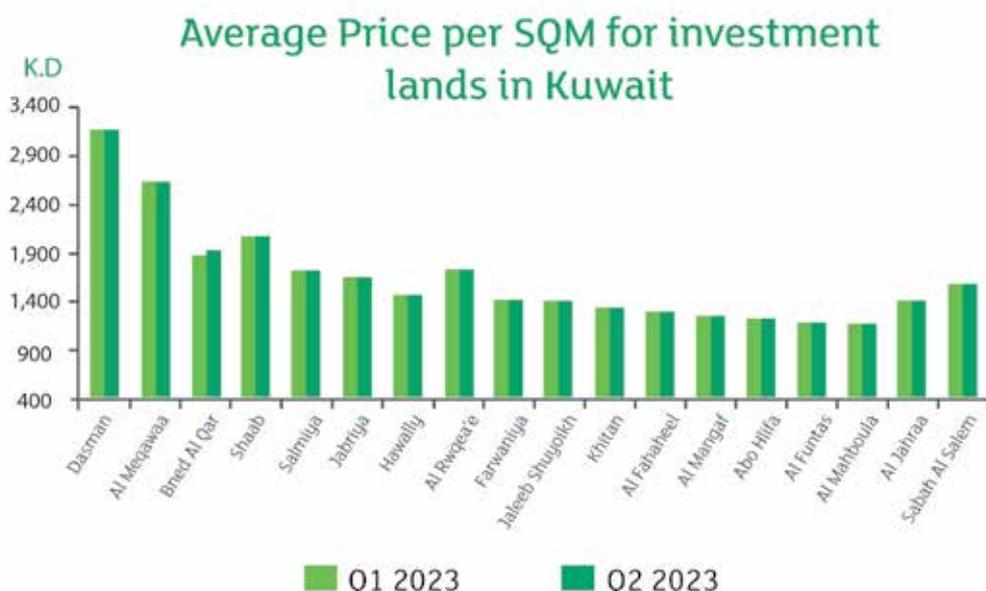


Source: KFH

Average price per investment meter did not change by the end of Q2 2023 in the Capital Governorate compared to Q1 of 2023, which recorded a quarterly increase of 1.4%. In Hawally Governorate, the average price stabilized after it slightly decreased in the first quarter 2023. Compared to Q1 2023, the average price did not record a change on quarterly basis in the Farwaniyah, Mubarak Al Kabeer, Ahmadi as well as Jahra governorates.

On y-o-y basis, the increase of the average price in most governorate slowed down, including the Capital Governorate which recorded a rate of 3.3%, whereas it reached 1.1% in Hawally, and about 1.5% in Farwaniyah. Whereas in Jahra, the average price rose to a higher percentage of 3.1% on yearly basis and reached 5.2% in Mubarak Al-Kabeer for the same period. In Ahmadi Governorate, the average price increase remained unchanged on an annual basis.

**Figure No. (28): Average price per meter for investment land in areas of Kuwait governorates**

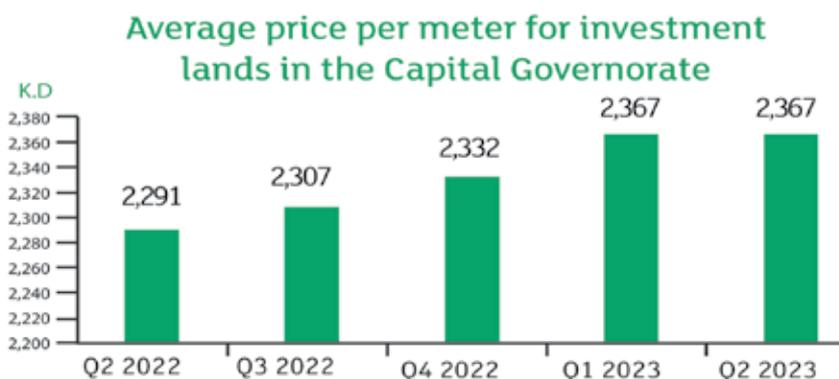


Source: KFH

### The Capital Governorate

Prices in the Capital Governorate by the end of Q2 2023 did not change as they stood at KD 2,367 per SQM on quarterly basis, which is still the highest at governorates level. The average price recorded an increase by 3.1% on y-o-y basis by the end of Q2, which is the second highest increase recorded during over two years.

**Figure No. (29): Price per meter for investment land in the Capital Governorate**



Source: KFH

**Table (8) prices of investment land in the Capital Governorate**

Area	Building percentage	Space in SQM	Location	Land market value (KD)		Market value per SQN (KD)		Average price per SQM by end of Q2 2023
				From	To	From	To	
Bneid Al-Gar	250%	1,000	Arabian Gulf	3,070,000	3,150,000	3,070	3,150	3,110
	250%	500	Main	890,000	990,000	1,780	1,980	1,880
	250%	1,000	Internal	1,500,000	1,590,000	1,500	1,590	1,545
	250%	1,000	Main/1st +2nd ring roads	1,900,000	2,090,000	1,900	2,090	1,995
General average in the area				1,593,750	1,716,875	1,855	2,007	1,931
Eastern AlMugwa'a	240%	250	Internal	470,000	550,000	1,880	2,200	2,040
	400%	500	Internal	1,270,000	1,380,000	2,540	2,760	2,650
	400%	1,000	Main/ Shuhahda street	2,880,000	3,125,000	2,880	3,125	3,003
General average in the area				1,496,250	1,636,250	2,508	2,766	2,637
Dasman	400%	1,000	Arabian Gulf	4,100,000	4,350,000	4,100	4,350	4,225
	400%	1,000	Internal	2,250,000	2,500,000	2,250	2,500	2,375
	400%	750	Abdullah Al Ahmad	2,100,000	2,250,000	2,800	3,000	2,900
General average in the area				2,816,667	3,033,333	3,050	3,283	3,167

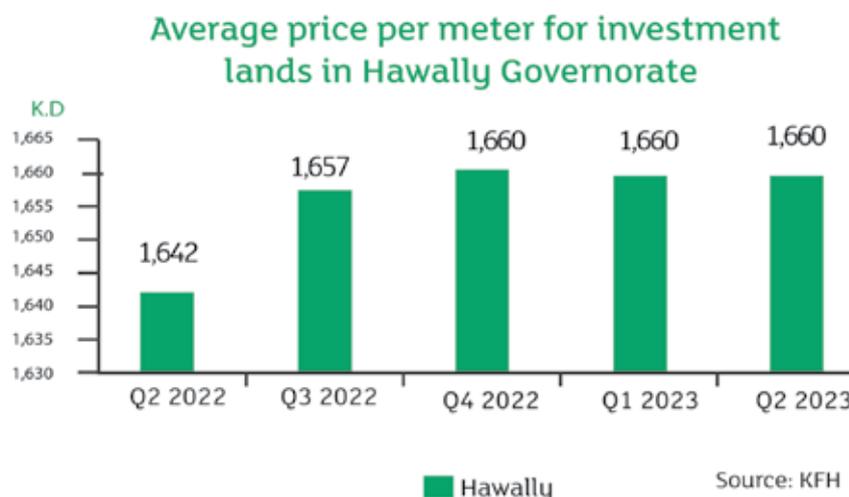
Source: Kuwait Finance House

Note: The general average in the area, shown in tables 8 through 13 expresses the general average of several deals made by KFH evaluation thereof. They were not wholly listed in the tables of prices.

Accordingly, the reader cannot infer the general average in the area based only on sample prices in each area shown in such tables. However, the reader can only rely on the general average per square meter in the area as a price index.

## Hawally Governorate

Average price for land in investment real estate locations stabilized in Hawally Governorate at about KD 1,660 by the end of Q2 2023, without any changes compared to the preceding quarter. On y-o-y basis, the average price flattened at 1.1% by the end of Q2 2023 against an increase of 8% and 9% mid 2022.

**Figure No. (30): prices per meter for investment land in Hawally Governorate.**

**Table (9) prices of investment land in Hawally Governorate**

Area	Building percentage	Space	Street	Land market value (KD)		Market value per sqm (KD)		Average price per sqm by the end of Q2 2023
				From	To	From	To	
Hawally	250%	750	Al Muthanna	1,075,000	1,150,000	1,433	1,533	1,483
	250%	750	Qutaiba	1,125,000	1,200,000	1,500	1,600	1,550
	250%	750	Ahmed Bin Tulun	1,020,000	1,125,000	1,360	1,500	1,430
	250%	750	Al Maghrib	1,100,000	1,150,000	1,467	1,533	1,500
	250%	750	Sharhabil	1,050,000	1,150,000	1,400	1,533	1,467
	250%	1,000	Internal	1,250,000	1,375,000	1,250	1,375	1,313
General average in the area				1,080,000	1,172,333	1,412	1,535	1,474
Salmiya	250%	1,000	Arabian Gulf	3,000,000	3,050,000	3,000	3,050	3,025
	250%	750	Baghdad (Tahreer)	1,225,000	1,325,000	1,633	1,767	1,700
	250%	750	Oman	1,150,000	1,225,000	1,533	1,633	1,583
	250%	750	Bahrain	1,175,000	1,250,000	1,567	1,667	1,617
	250%	750	Amr Bin Al Aas	1,350,000	1,425,000	1,800	1,900	1,850
	250%	1,000	Main	1,600,000	1,720,000	1,600	1,720	1,660
	250%	1,000	Internal	1,500,000	1,620,000	1,500	1,620	1,560
General average in the area				1,297,188	1,389,688	1,671	1,796	1,734
Shaab	250%	1,000	Arabian Gulf	3,100,000	3,200,000	3,100	3,200	3,150
	250%	750	Internal	1,240,000	1,350,000	1,653	1,800	1,727
General average in the area				1,916,250	2,027,500	2,020	2,140	2,080
Jabriya	250%	1,000	4th ring road	1,625,000	1,700,000	1,625	1,700	1,663
	250%	1,000	Al Maghrib	1,450,000	1,565,000	1,450	1,565	1,508
	250%	1,000	Ibrahim Hussain Marafie	1,725,000	1,800,000	1,725	1,800	1,763
	250%	750	Internal	1,150,000	1,250,000	1,533	1,667	1,600
General average in the area				1,500,000	1,595,000	1,598	1,702	1,650
Source: Kuwait Finance House								

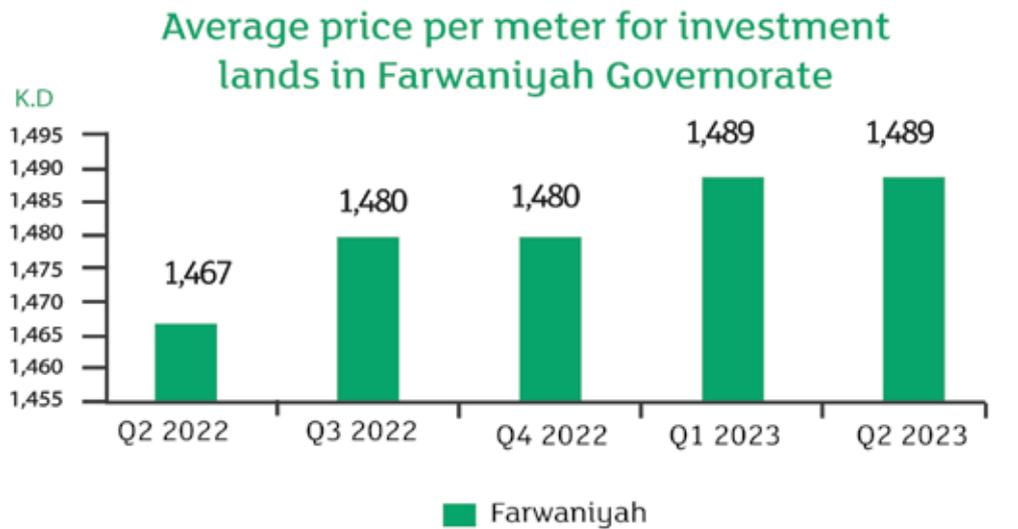
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## Farwaniyah Governorate

Prices of investment land in Farwaniyah Governorate stabilized by the end of Q2 2023 recording KD 1,489 without an increase compared to the preceding quarter, thus recording an annual increase of 1.5% in Q2 2023, which is slightly lower than the 6% increase recorded at mid of previous year.

**Figure No. (31) prices per meter for investment land in Farwaniyah Governorate**



Source: KFH

Prices stabilized by the end of Q2 2023 in most investment areas in Farwaniyah Governorate compared to the preceding quarter.

**Table (10): Prices of investment land in Farwaniyah Governorate**

Area	Building percentage	Space	Street	Land market value (KD)		Market value per sqm (KD)		Average price per sqm by end of Q2 2023
				From	To	From	To	
Farwaniyah	250%	1,000	Airport	1,400,000	1,465,000	1,400	1,465	1,433
	250%	750	6th ring road	1,050,000	1,150,000	1,400	1,533	1,467
	250%	1,000	Internal	1,125,000	1,275,000	1,125	1,275	1,200
	250%	500	Main	750,000	850,000	1,500	1,700	1,600
General average in the area				1,053,571	1,152,143	1,357	1,490	1,424
Khaitan	250%	1,000	Airport	1,400,000	1,465,000	1,400	1,465	1,433
	250%	1,000	Internal	1,125,000	1,250,000	1,125	1,250	1,188
	250%	600	Internal	735,000	850,000	1,225	1,417	1,321
General average in the area				1,052,000	1,148,000	1,283	1,406	1,345
Jleeb Al-Shuyouk	250%	750	6th ring road	1,020,000	1,125,000	1,360	1,500	1,430
	250%	750	Khaled Egab Al Ashhab	1,050,000	1,150,000	1,400	1,533	1,467
	250%	750	Main	1,000,000	1,065,000	1,333	1,420	1,377
	250%	500	Internal	635,000	735,000	1,270	1,470	1,370
General average in the area				915,625	1,030,625	1,334	1,504	1,419
Al-Riggae	250%	750	4th ring road	1,340,000	1,415,000	1,787	1,887	1,837
	250%	1,000	5th ring road	1,680,000	1,790,000	1,680	1,790	1,735
	250%	750	Main/internal	1,230,000	1,340,000	1,640	1,787	1,713
	250%	750	Internal	1,125,000	1,225,000	1,500	1,633	1,567
General average in the area				1,316,429	1,412,857	1,673	1,800	1,737

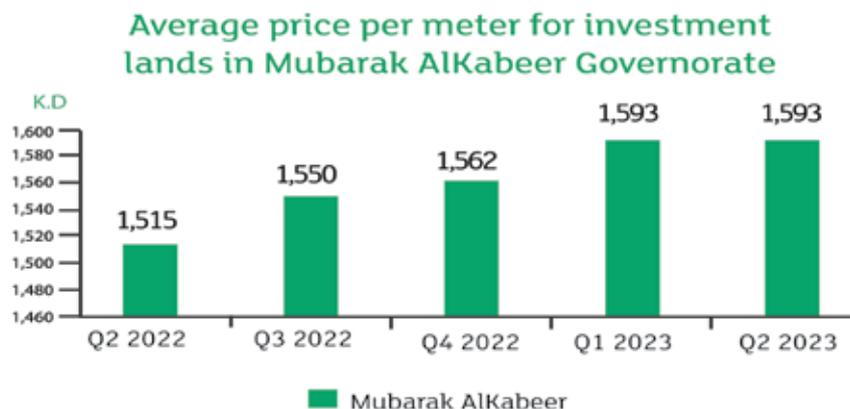
Source: Kuwait Finance House

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Accordingly, the reader cannot infer the general average in the area based only on sample prices in each area shown in such tables. However, the reader can only rely on the general average per square meter in the area as a price index.

### Mubarak Al-Kabeer Governorate

Average price per meter of investment land in Mubarak Al-Kabeer Governorate stabilized at KD 1,593 by the end of Q1 and Q2 2023, thus the annual increase in price levels slowed to about 5.2% in Q2 2023, less than half of its increase, which reached 10.9% in Q1 on annual basis.

**Figure No. (32) Price per meter for investment land in Mubarak Al-Kabeer Governorate**

Source: KFH

Price stabilized in most investment areas of Mubarak Al-Kabeer Governorate by the end of Q2 2023 compared to the preceding quarter.

**Table (11): Prices of investment land in Mubarak Al-Kabeer Governorate**

Area	Building percentage	Space	Street	Land market value (KD)		Market value per sqm (KD)		Average price per sqm in Q2 2023
				From	To	From	To	
Sabah Al Salem	250%	750	Internal	1,125,000	1,220,000	1,500	1,627	1,563
	250%	1,000	Main	1,650,000	1,750,000	1,650	1,750	1,700
	250%	1,000	Fahaheel	1,650,000	1,800,000	1,650	1,800	1,725
	170%	500	Internal	550,000	630,000	1,100	1,260	1,180
General average in the area				1,332,143	1,447,857	1,524	1,662	1,593

Source: Kuwait Finance House

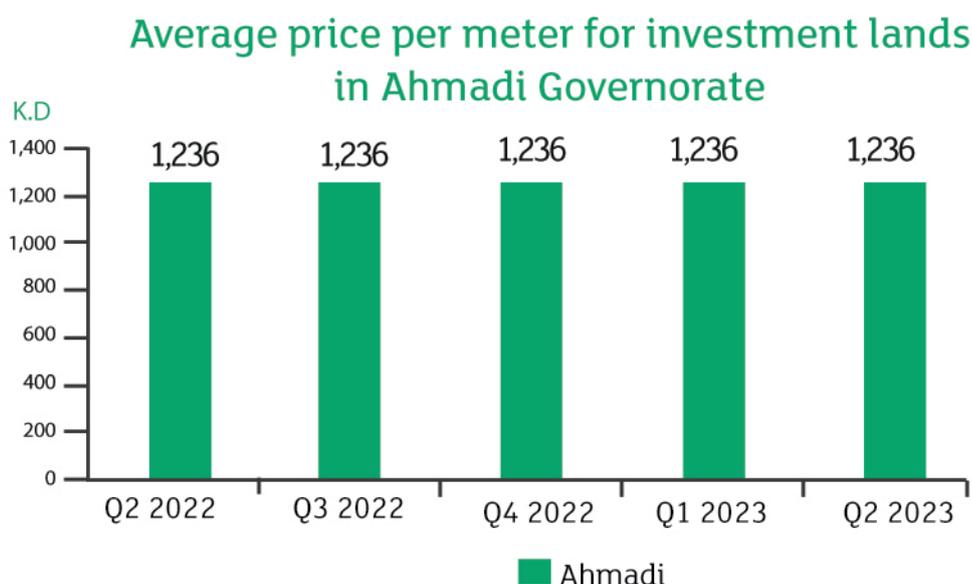
Note: The general average in the area, shown in tables 8 through 13 expresses the general average of several deals made by KFH evaluation thereof. They were not wholly listed in the tables of prices.

Accordingly, the reader cannot infer the general average in the area based only on sample prices in each area shown in such tables. However, the reader can only rely on the general average per square meter in the area as a price index.

## Ahmadi Governorate

Average price per meter in Ahmadi Governorate stabilized by the end of Q2 2023 at KD 1,236 without change compared to Q1 2023, and it did not witness an annual change at the end of Q2 2023 after recording a limited annual increase by 1% in the preceding quarter.

**Figure No. (33): Prices per meter for investment land in Ahmadi Governorate**



Source: KFH

**Table (12) Prices of investment land in Ahmadi Governorate**

Area	Building percentage	Space	Street	Land market value (KD)		Market value for sqm (KD)		Average price per sq m in Q2 2023
				From	To	From	To	
Fintas	250%	750	Fahaheel	935,000	970,000	1,247	1,293	1,270
	250%	750	Main	820,000	965,000	1,093	1,287	1,190
	250%	1,000	Coastal Road	1,550,000	1,590,000	1,550	1,590	1,570
General average in the area				900,833	1,000,833	1,127	1,256	1,192
Abu Halifa	250%	500	Internal	520,000	620,000	1,040	1,240	1,140
	250%	750	Main	825,000	950,000	1,100	1,267	1,183
	250%	1,000	Coastal Road	1,550,000	1,600,000	1,550	1,600	1,575
General average in the area				902,500	1,000,000	1,161	1,303	1,232
Mangaf	250%	500	Internal	550,000	675,000	1,100	1,350	1,225
	250%	750	Main/Makkah Street	945,000	1,050,000	1,260	1,400	1,330
	250%	1,000	Main/coastal Road	1,600,000	1,670,000	1,600	1,670	1,635
General average in the area				939,286	1,051,429	1,187	1,333	1,260
Mahboula	250%	500	Internal	520,000	605,000	1,040	1,210	1,125
	250%	750	Main	810,000	950,000	1,080	1,267	1,173
	250%	750	Fahaheel Road	920,000	950,000	1,227	1,267	1,247
	250%	1,000	Coastal Road	1,550,000	1,600,000	1,550	1,600	1,575
General average in the area				891,667	990,833	1,114	1,242	1,178
Fahaheel	250%	500	Internal	600,000	700,000	1,200	1,400	1,300
	250%	750	Main	950,000	1,075,000	1,267	1,433	1,350
	250%	1,000	Makkah	1,375,000	1,450,000	1,375	1,450	1,413
General average in the area				897,143	1,035,714	1,209	1,393	1,301

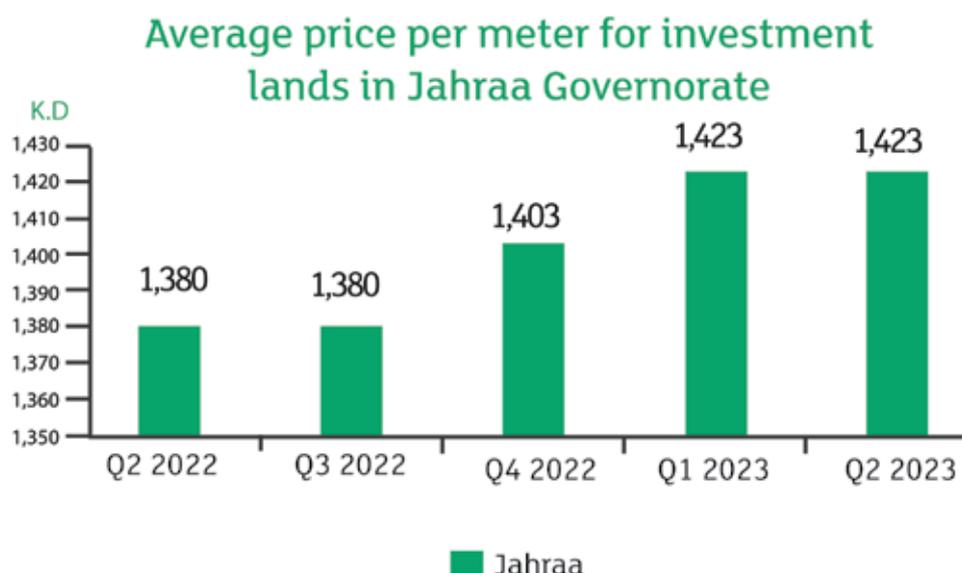
Source: Kuwait Finance House

Note: The general average in the area, shown in tables 8 through 13 expresses the general average of several deals made by KFH evaluation thereof. They were not wholly listed in the tables of prices.

Accordingly, the reader cannot infer the general average in the area based only on sample prices in each area shown in such tables. However, the reader can only rely on the general average per square meter in the area as a price index.

## Jahra Governorate

Prices for investment land in Jahra Governorate stabilized by the end of Q1 and Q2 2023 to KD 1,423. Thus, prices' increase in Q2 2023 slowed to 3.1% less than half of the amount witnessed in Q1 of 2023.

**Figure No. (34): Prices per meter for investment land in Jahra Governorate**

Source: KFH

**Table (13): Prices of investment land in Jahra Governorate**

Area	Building percentage	Space	Street	Land market value (KD)		Market value for sqm (KD)		Average price per sq m in Q2 2023
				From	To	From	To	
Jahra	250%	1,000	Internal	1,170,000	1,295,000	1,170	1,295	1,233
	250%	1,000	Main	1,320,000	1,500,000	1,320	1,500	1,410
	250%	800	(water station street) AlKhuzami street	1,250,000	1,300,000	1,563	1,625	1,594
	250%	500	Main	760,000	810,000	1,520	1,620	1,570
General average in the area				1,004,167	1,124,167	1,344	1,502	1,423

Source: Kuwait Finance House

Note: The general average in the area, shown in tables 8 through 13 expresses the general average of several deals made by KFH evaluation thereof. They were not wholly listed in the tables of prices.

Accordingly, the reader cannot infer the general average in the area based only on sample prices in each area shown in such tables. However, the reader can only rely on the general average per square meter in the area as a price index.

### Annual Return on Investment Real Estate:

Investment real estate is considered a significant investment that achieves highly remarkable returns compared to other investment opportunities. Return on sale (ROS) rate still varies between 6.75% to 7.75% by the end of Q2 2023 according to different distinction factors in the different governorates, while taking into account that the ROS rate doesn't include the sanctions imposed as per the laws and regulations of Kuwait Municipality including renting a basement. The recorded return on investment real estate in the Capital Governorate was 7.17%, while in Hawally it stood at 7.27% by the end of Q2 2023.

Average return on investment real estate in Farwaniyah Governorate was at 7.31%. In Ahmadi Governorate, the recorded average return on investment real estate approximated 7.42%, while in Mubarak Al-Kabeer, it stood at about 7.15%, whereas in Jahra Governorate it registered 7.31% by the end of Q2 2023.

**Table (14): Annual Return Rate on Investment Real Estate in some Areas of Kuwait**

Governorate	Area	Building percentage	Space	Location	Percentage of ROS from the annual real estate income 2023 For Q2		
					From	To	Average
Capital	Bneid Al-Qar	250%	1,000	Arabian gulf	6.75%	7.00%	6.88%
	Bneid Al-Qar	250%	1,000	Istiqlal	7.00%	7.25%	7.13%
	Eastern Muqawaa	240%	250	Internal	6.80%	7.15%	6.98%
	Dasman	400%	1,000	Arabian gulf	6.85%	7.10%	6.98%
Hawally	Hawally	250%	750	Al Muthanna	7.25%	7.50%	7.38%
	Hawally	250%	1,000	Mousa Bin Naseer	7.50%	7.75%	7.63%
	Salmiya	250%	1,000	Arabian gulf	6.80%	7.00%	6.90%
	Salmiya	250%	1,000	Hamad Al Mubarak	7.00%	7.35%	7.18%
	Shaab	250%	1,000	Arabian gulf	6.75%	7.15%	6.95%
	Shaab	250%	1,000	Internal	7.15%	7.35%	7.25%
Farwaniyah	Farwaniyah	250%	1,000	Airport	7.30%	7.50%	7.40%
	Farwaniyah	250%	750	Internal	7.30%	7.50%	7.40%
	Khaitan	250%	750	Airport	7.25%	7.50%	7.38%
	Khaitan	250%	750	Internal	7.30%	7.50%	7.40%
	Reggae	250%	1,000	5th ring road	7.00%	7.25%	7.13%
Ahmadi	Fintas	250%	500	Internal	7.35%	7.60%	7.48%
	Fintas	250%	750	Main	7.40%	7.65%	7.53%
	Abu Halifa	250%	500	Internal	7.50%	7.60%	7.55%
	Abu Halifa	250%	1,000	Coastal Road	7.25%	7.50%	7.38%
	Mahboula	250%	750	Internal	7.50%	7.75%	7.63%
	Mahboula	250%	750	Fahaheel	7.35%	7.60%	7.48%
	Mahboula	250%	1,000	Coastal Road	7.30%	7.50%	7.40%
	Fahaheel	250%	500	Internal	7.25%	7.40%	7.33%
	Fahaheel	250%	750	Main	7.15%	7.35%	7.25%
Jahra	Jahra	250%	1,000	Internal	7.35%	7.50%	7.43%
	Jahra	250%	800	AlKhuzami	7.25%	7.50%	7.38%
Mubarak Al-Kabeer	Sabah Al Salem	170%	500	Internal	6.90%	7.15%	7.03%
	Sabah Al Salem	250%	1,000	Internal	7.15%	7.40%	7.28%

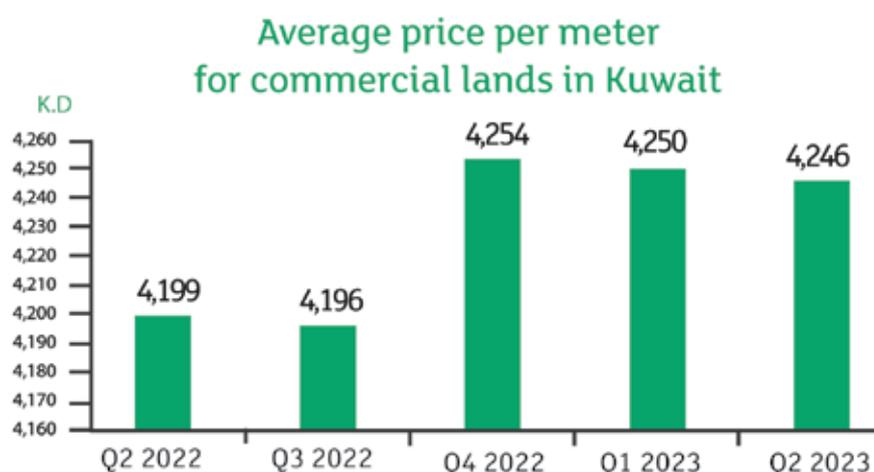
Source: Kuwait Finance House

### Third: Prices of Commercial Real Estate

Higher consumption rates accompanied by resurgence of consumer demand in commercial markets and complexes might contribute to raising the return of these real estate, as some of them resolved to cost rationalization means including ways of deals and operating through internet and electronic applications. This may also impact the revenues of commercial real estate, buildings, commercial complexes on medium and long terms and, eventually, their market value.

Prices of commercial land decreased by the end of Q2 2023 to about KD 4,246 per SQM at governorates level, slightly down by less than 0.1% compared to Q1 2023, which recorded a limited decrease of the same rate on q-o-q basis. Accordingly, the annual average price increase fell to 1.1% at the governorates level by the end of Q2 2023 against an increase rate of 2.2% in the preceding quarter.

**Figure No. (35) Price per meter for commercial land in Kuwait**

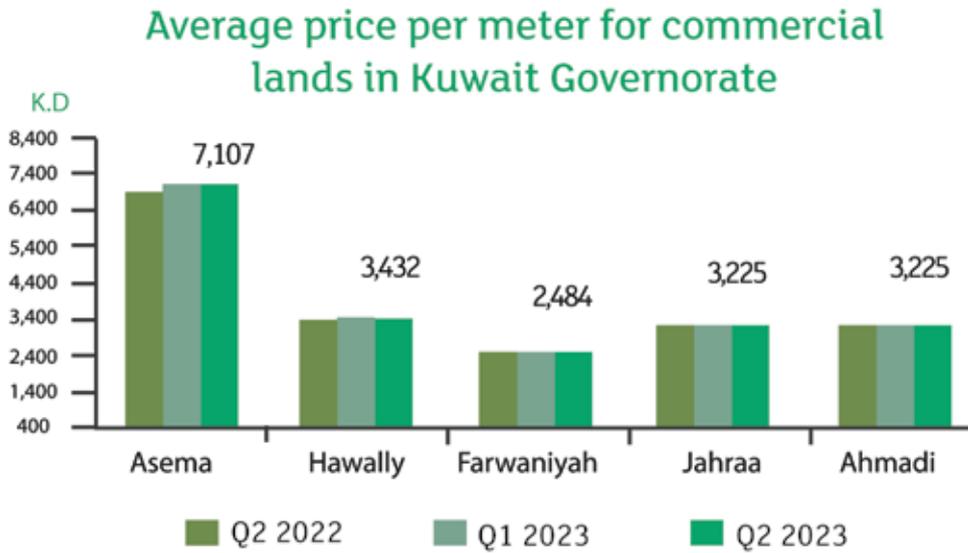


Source: KFH

Prices of commercial land by the end of Q2 2023 stabilized in some governorates compared to the preceding quarter. The average price in the Capital Governorate recorded a limited decline compared to Q1 2023 which registered an increase by 0.2% on q-o-q basis. Prices in Hawally Governorate decreased by 0.6% as of Q1 2023, whereas the average price in Farwaniyah increased by 0.1% on q-o-q basis. In Jahra Governorate, prices remained unchanged, unlike Ahmadi Governorate in which prices declined by about 0.3% compared to Q1 2023.

On y-o-y basis, prices increase rate slowed down in some governorates, while they fell in the rest by the end of Q2 2023. Average price increased in Capital governorate by 2.4% while it increased in Hawally by 1.2%, whereas the average price declined in Farwaniyah by 0.1% and in Ahmadi Governorate by 1.1% on yearly basis. In Jahra Governorate, the average price fell by about 0.5% for the same period.

**Figure No. (36) Price per meter for commercial land in the governorates**

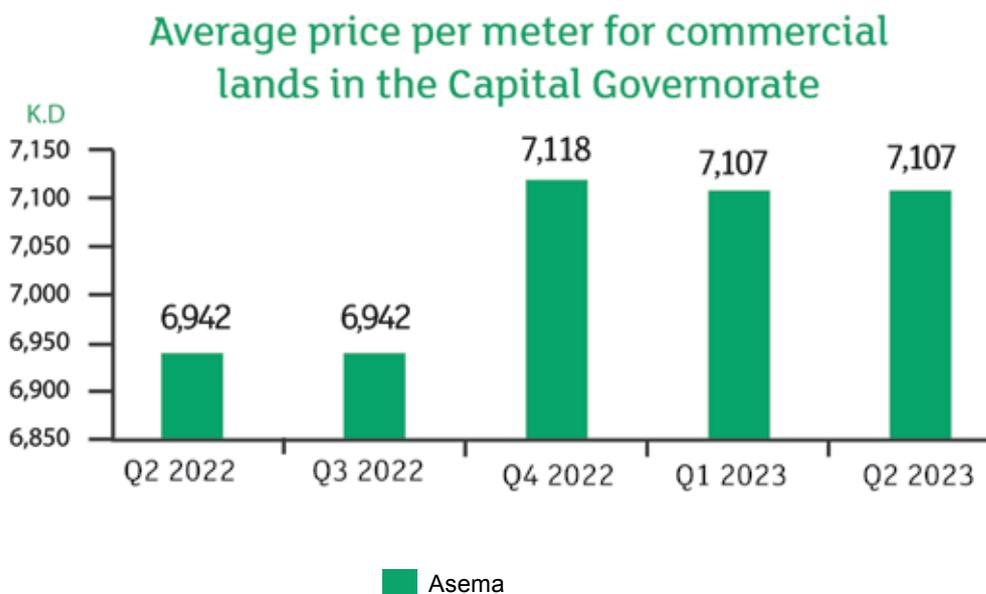


Source: KFH

### Capital Governorate

The average price per SQM for commercial real estate in the Capital Governorate reached KD 7,107 by the end of Q2 2023 without change compared to Q1 2023 which recorded a limited q-o-q decline by 0.2%. Prices slowed in Q2 2023 increasing on an annual basis by 2.4% which is close to half the annual increase in the preceding quarter.

**Figure No. (37) Price per meter for commercial land in the Capital**



Source: KFH

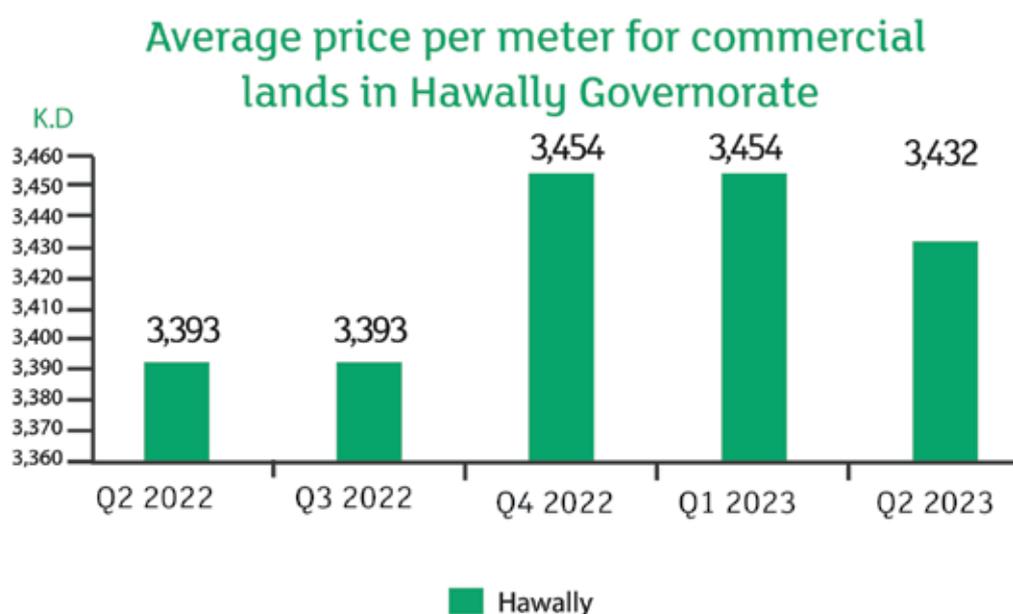
**Table (15) Prices of commercial land in the Capital Governorate**

Area	Building percentage	Street	Space	Land market value (KD)		Market value for sqm (KD)		Average price per sq m in Q2 2023
				From	To	From	To	
Qibla	%300	Al Mubarakiya	300	1,740,000	2,550,000	5,800	8,500	7,150
Sharq	%520	Ahmed Aljaber	750	5,437,500	5,812,500	7,250	7,750	7,500
Al-Madinah	%300	Al-Soor	750	2,700,000	3,375,000	3,600	4,500	4,050
Al-Madinah	%620	Mubarak Al-Kabeer (Boursa)	1,000	8,000,000	8,500,000	8,000	8,500	8,250
Al-Madinah	%300	Ali Al Salem	300	1,680,000	2,025,000	5,600	6,750	6,175
Qibla	%620	Fahad Al Salem	750	5,850,000	6,225,000	7,800	8,300	8,050

Source: Kuwait Finance House

## Hawally Governorate

The Average price per SQM for commercial land in Hawally Governorate decreased at about KD 3,432 at the end of Q2 2023 by 0.6% compared to the preceding quarter. Thus, the increase in prices per sqm slowed to 1.2% in Q2 2023 compared to an annual increase of 5% in the same period of last year.

**Figure No. (38) Price per meter for commercial land in Hawally Governorate**

Source: KFH

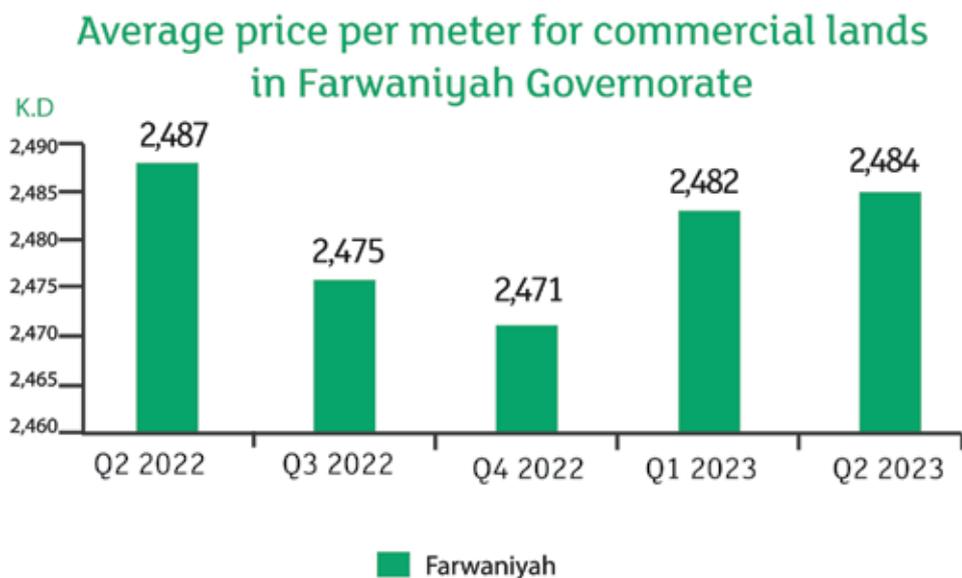
**Table (16) Prices of commercial land in Hawally Governorate**

Area	Building percentage %	Street	Space	Land market value (KD)		Market value for sqm (KD)		Average price per sqm in Q2 2023
				From	To	From	To	
Hawally	180%	Tunis	1,000	3,700,000	3,900,000	3,700	3,900	3,800
Hawally	150%	AL Othman	750	2,100,000	2,325,000	2,800	3,100	2,950
Salmiya	180%	Hamad Al Mubarak	800	2,520,000	2,800,000	3,150	3,500	3,325
Salmiya	180%	Salem Al Mubarak	1,000	3,500,000	4,450,000	3,500	4,450	3,975
Salmiya	180%	Bahrain	500	1,500,000	1,575,000	3,000	3,150	3,075

Source: Kuwait Finance House

**Al Farwaniyah Governorate**

Prices per meter for commercial real estate in Farwaniyah Governorate reached KD 2,484 at the end of Q2 2023 a slight increase of 0.1% compared to the preceding quarter, which recorded an increase by 0.5%. Whereas prices declined by an annual rate of 0.1% in Q2 2023, after recording an annual increase reached to 6% in mid 2022.

**Figure No. (39) Price per meter for commercial land in Farwaniyah Governorate**

Source: KFH

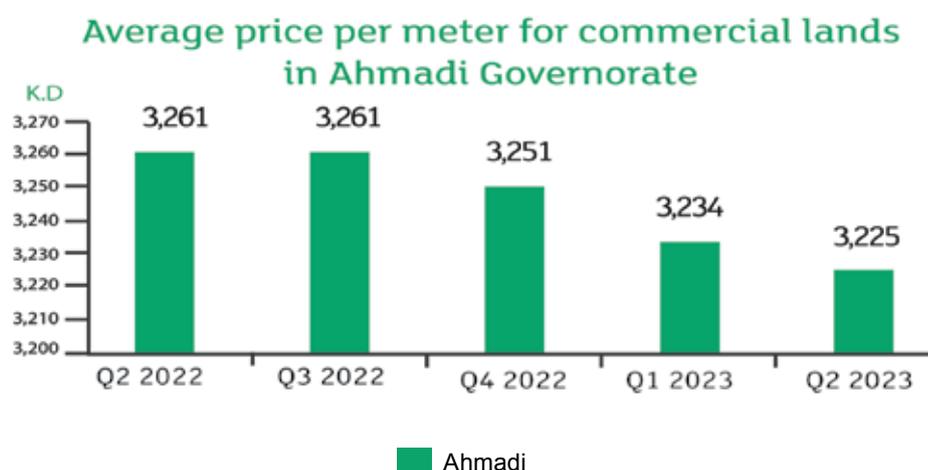
**Table (17) Prices of commercial land in Farwaniyah Governorate**

Area	Building percentage %	Street	Space	Land market value (KD)		Market value for sqm (KD)		Average price per sqm in Q2 2023
				From	To	From	To	
Farwanyia Menawer St	180%	Menawer	1,000	4,350,000	4,550,000	4,350	4,550	4,450
Farwaniyah – Fire service street	180%	Fire service	800	3,120,000	3,344,000	3,900	4,180	4,040
Khaitan	180%	Opposite Administrative and Commercial Area	1,000	3,700,000	3,900,000	3,700	3,900	3,800
Jleeb Al-Shuyoukh Opposite Co-op. Society	180%	Co-op society street	1,000	2,350,000	2,500,000	2,350	2,500	2,425
Jleeb Al-Shuyoukh (Backside)	180%	Internal	1,000	1,900,000	2,100,000	1,900	2,100	2,000
Dhajej (5000m) on 6th ring road	50%	6th ring road	5,000	6,000,000	7,250,000	1,450	1,650	1,550
Dhajej (5000m) Internal	50%	Internal	5,000	5,625,000	6,250,000	1,125	1,250	1,188
Ardiya-warehouses	80 %	Internal	1,000	1,600,000	1,700,000	1,550	1,700	1,625

Source: Kuwait Finance House

## Ahmadi Governorate

Prices in Ahmadi Governorate declined to KD 3,225 by the end of Q2 2023 a slight decrease of 0.3% compared to the preceding quarter. On y-o-y basis, prices recorded an annual decline of 1.1% by the end of Q2 2023, after recording consecutive increases of about 6% at the beginning of 2022.

**Figure No. (40) Price per meter for commercial land in Ahmadi Governorate**

Source: KFH

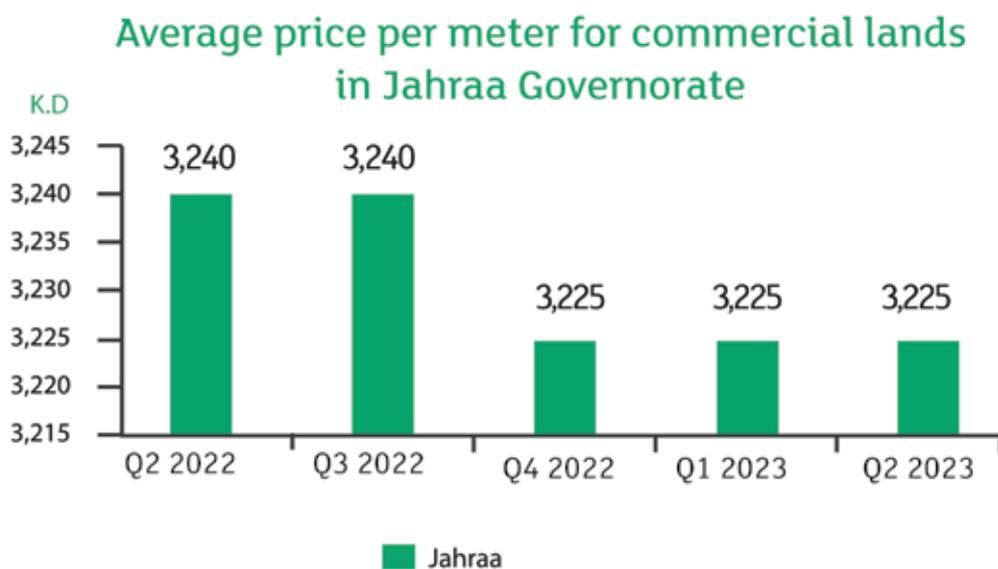
**Table (18): Prices of commercial land in Ahmadi Governorate**

Area	Building percentage %	Street	Space	Land market value (KD)		Market value per sqm (KD)		Average price for sqm in Q2 2023
				From	To	From	To	
Mangaf (Al Aziziya)	%100	Al Aziziya/ internal	750	1,875,000	1,950,000	2,500	2,600	2,550
	%100	Al Aziziya/main	750	2,212,500	2,325,000	2,950	3,100	3,025
Fintas (administrative and commercial)	%180	Main	1,000	3,600,000	3,750,000	3,600	3,750	3,675
	%180	Internal	1,000	3,400,000	3,550,000	3,400	3,550	3,475
Fahaheel	%180	Internal	750	2,137,500	2,437,500	2,850	3,250	3,050
Fahaheel	%180	Coastal Road	750	3,150,000	3,375,000	4,200	4,500	4,350
Fahaheel	%180	Makkah	750	2,812,500	3,037,500	3,750	4,050	3,900
Sabah Al Ahmad	%180	Internal	2,000	2,100,000	2,700,000	1,050	1,350	1,200

Source: Kuwait Finance House

### Jahra Governorate

The average price per SQM for the commercial real estate in Jahra Governorate stabilized at KD 3,225 by the end of Q1 and Q2 2023. It is noted that an annual increase rate slowed in the governorate, recording the second annual decline in two years by 1% at the end of Q2 2023, against an annual increase of 4% at the beginning of 2022.

**Figure No. (41) Price per meter for commercial land in Jahra Governorate**

Source: KFH

**Table (19) Prices of commercial land in Jahra Governorate**

Area	Building percentage %	Street	Space	Land market value (KD)		Market value per sqm (KD)		Average price for sqm in Q2 2023
				From	To	From	To	
Jahra	100%	Marzouq Al-Met'eb	1,000	3,150,000	3,400,000	3,150	3,400	3,275
Jahra	100%	Block 41 A	1,000	2,700,000	2,850,000	2,700	2,850	2,775
Jahra - Al Qaisriyat	100%	Block 20	225	720,000	798,750	3,200	3,550	3,375
Jahra	100%	Block 21	1,000	2,450,000	2,600,000	2,450	2,600	2,525

Source: Kuwait Finance House

## Annual Rates of Return on Commercial Real Estate

Rates of return on commercial real estate in most commercial locations of the governorates stabilized by the end of Q2 2023.

The average return on commercial real estate in the Capital Governorate stabilized at 7.1% by the end of Q2 2023. Meanwhile, in Hawally Governorate, the return on commercial real estate recorded 7.89%, as well as in some distinguished areas of in Salmiya.

The average return on commercial real estate in Farwaniyah Governorate reached 7.98% in Q2 2023. It reached in certain distinct commercial areas e.g., Dhajeej and Julaib Al-Shoyoukh 8.0% and 8.5% respectively.

The average return on commercial real estate in Jahra Governorate reached 7.75%. In Jahra commercial area, one of the most distinguished areas in the governorate, the rate of return reached 7.88% by the end of Q2 2023.

The return on commercial real estate in the Ahmadi Governorate reached to 8.13% by the end of Q2. The average return on commercial real estate reached 8.00% in Fahaheel and 8.0% in some parts of the distinguished areas such as Fintas, and in Mangaf where it reached 8.38%.

**Table (20) Annual rate of return on commercial real estate in certain areas**

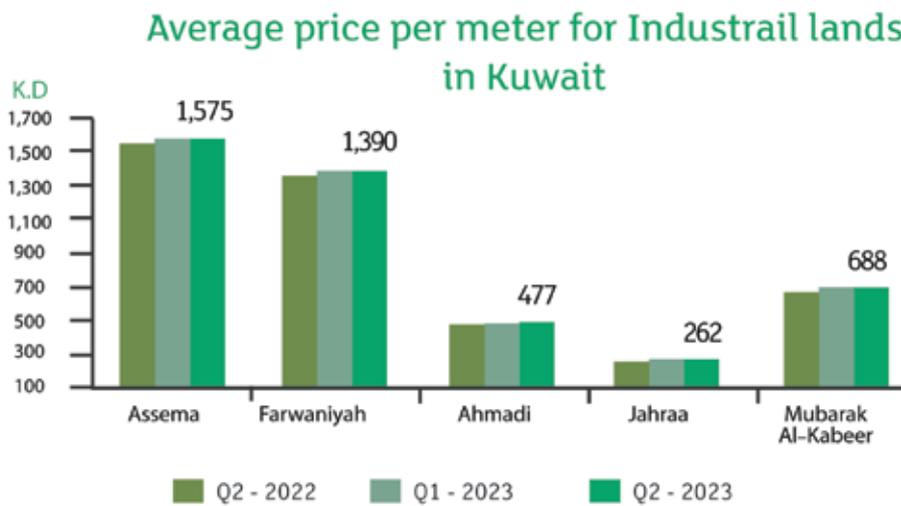
Governorate	Area	Building percentage	Street	ROS from the annual real estate income		
				For Q2 2023		
				From	To	Average
The Capital	Qibla	300%	Mubarakiya	6.50%	7.00%	6.75%
	Sharq	520%	Ahmad Al-Jaber	7.00%	7.25%	7.13%
	Madinah	620%	Al-Soor	7.00%	7.25%	7.13%
	Madinah	620%	Mubarak Al-Kabeer (Blocks)	7.00%	7.50%	7.25%
	Qibla	620%	Fahad Al-Salem	7.00%	7.50%	7.25%
Hawally	Hawally	180%	Tunis	7.75%	8.00%	7.88%
	Hawally	180%	Beirut	7.75%	8.00%	7.88%
	Hawally	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	7.50%	8.00%	7.75%
Farwaniyah	Farwaniyah – Menawer street	180%	Menawer	7.60%	8.00%	7.80%
	Khaitan (commercial and administrative)	300%	Administrative and commercial	7.75%	8.00%	7.88%
	Jleeb Al-Shuyoukh Opposite Co-op. Society	180%	Co-op society street	8.00%	8.25%	8.13%
	Dhajej (5000m) internal	50%	Internal	8.00%	8.50%	8.25%
	Farwaniyah (Dhajej 5000m on 6th ring road)	50%	6th ring road	7.75%	8.25%	8.00%
Jahra	Jahra	100%	Marzouq Al-Met'eb	7.75%	8.00%	7.88%
	Jahra – Administrative and commercial center	200%	Administrative and commercial	7.50%	7.70%	7.60%
	Jahra - Al Qaisriyat	100%	Block 20	7.50%	8.00%	7.75%
	Jahra	100%	Block 41A	7.50%	8.00%	7.75%
Ahmadi	Mangaf	100%	Aziziya	8.25%	8.50%	8.38%
	Fintas - (commercial and administrative)	180%	Internal	8.00%	8.25%	8.13%
	Fahaheel	180%	Internal	8.00%	8.25%	8.13%
	Fahaheel	180%	Makkah	7.75%	8.25%	8.00%

Source: Kuwait Finance House

### Fourth: Prices of industrial plots (public benefits contracts) and stores:

Prices of industrial plots (excluding craftsmanship real estate) stabilized at the governorates level recording about KD 897 per SQM in Q1 and Q2 2023, driven by a stability in prices in most of the industrial plots in the governorates on q-o-q basis. The prices of plots stabilized in the Capital Governorate by the end of Q2 2023 without recording a change on quarterly basis. In Farwaniyah Governorate, the average price did not witness a change on q-o-q basis, as well as in Mubarak Al Kabeer and Jahraa governorates. In Ahmadi Governorate, average price also did not record any change compared to Q1 2023. Accordingly, the increase in average price per industrial meter slowed on y-o-y basis at the governorates level, recording 1.6 %, driven by annual increase which slowed down in most of the industrial areas of the governorates.

Figure No. (42) Average price per meter for industrial land in Kuwait

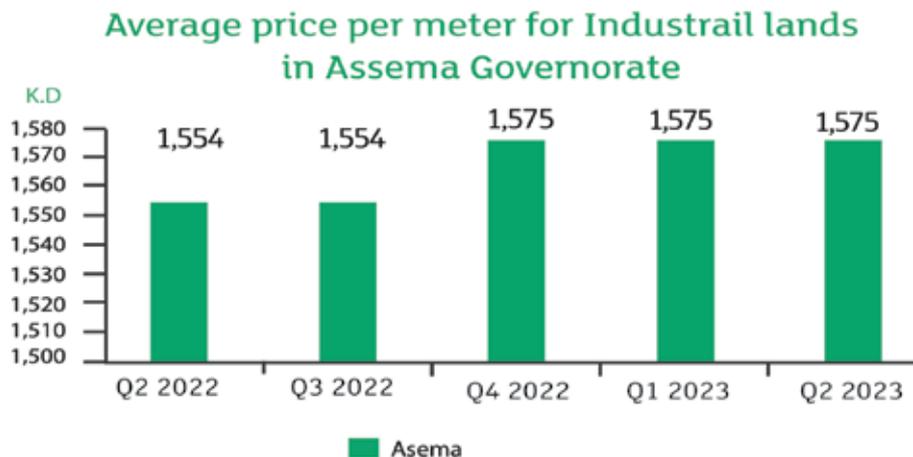


Source: KFH

### Capital Governorate

Average price per industrial meter in the Capital Governorate stabilized by the end of Q2 2023 to about KD 1,575 without recording a change against the preceding quarter. However, the ascending trajectory which prices in the governorate witnessed in the beginning of 2017 is slowing down, as the average price per meter increase slowed down to 1.3% on y-o-y basis by the end of Q2 2023 after reaching higher rates in the previous year.

Figure No. (43) Price per meter for industrial land in the Capital Governorate



Source: KFH

**Table (21): Prices of industrial plots in the Capital Governorate**

Area	allocation	Space per sqm	Building percentage	Street	Land market value		Average price for sqm in Q2 2023
					From	To	
Shuwaikh Industrial	Showrooms+ Industrial	1,000	100% for Basement + 80% Ground + 50% Mezzanine	Canada Dry St	1,100,000	1,300,000	2,400
		5,000		Canada Dry St.	5,750,000	7,000,000	1,275
		1,000		Shaharazad	1,300,000	1,600,000	1,450
		1,000		Al-Zienah	1,900,000	2,250,000	2,075
		500		Al-Zienah	1,050,000	1,275,000	2,325
		1,000		Electricity street	1,900,000	2,300,000	2,100
		500		Electricity street	1,025,000	1,275,000	2,300
		1,000		Internal	700,000	950,000	825
		5,000		Jahra road	4,500,000	5,250,000	975
		1,000		4th ring road	1,600,000	1,800,000	1,700
		22,500		Internal	11,300,000	15,750,000	601
General average in the area					2,632,692	3,240,000	1,575

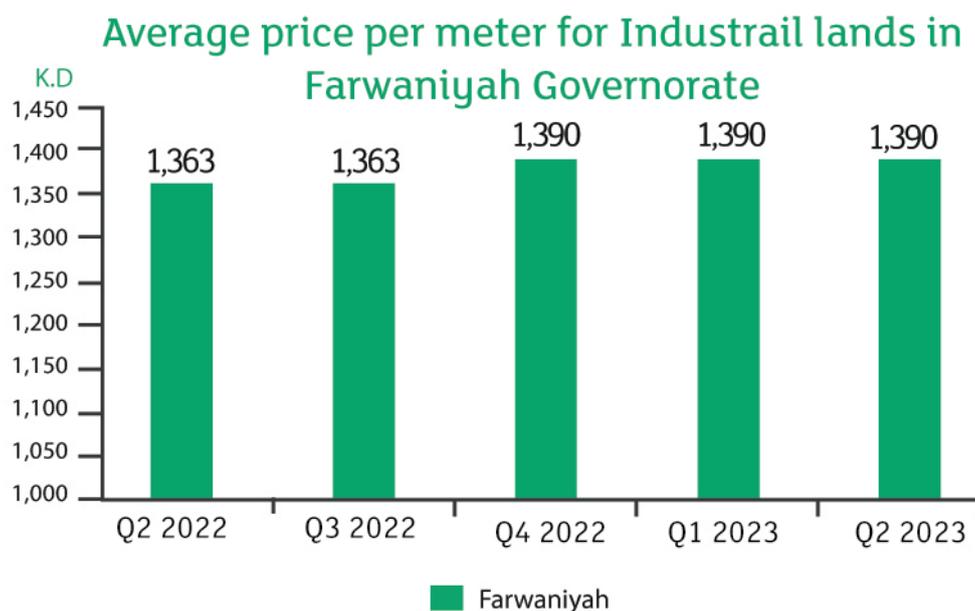
Note: The general average in the area as shown in tables 21 - 25 expresses the general average of several deals made based on KFH evaluation thereof. They were not wholly listed in the price tables.

Accordingly, the reader cannot extract the general average in the area based on sample prices only in each area as shown in such tables. However, the reader can rely on the general average per square meter in the area as a price index.

### Farwaniyah Governorate

Prices of industrial areas in Farwaniyah Governorate stabilized by the end of Q2 2023 at KD 1,390 without change compared to the preceding quarter which did not record a change on q-o-q basis. Meanwhile, the annual increase rate in prices slowed by the end of Q2 recording 2.0% against a higher increase of 17% recorded in Q2 of 2022.

The average price in handicraft places in Farwaniyah Governorate, including Ardiya handicraft area, still approximating KD 3,570 without any change compared to Q1 of 2023. Average price stabilized in some places of Ardiya handicraft on fifth ring road. Whereas on y-o-y basis, the average price stabilized in handicraft areas of Farwaniyah Governorate.

**Figure No. (44): Prices per meter for industrial land in Farwaniyah Governorate**

Source: KFH

**Table (22): Prices of industrial plots in Farwaniyah Governorate**

Area	Allocation	Space in sqm	Street	Land market value (KD)		Average price per sq m In Q2 2023
				From	To	
Al -Rai	Showrooms + Industrial	1,000	Hamad Rashed Al-Alban	1,700,000	2,000,000	1,850
		4,000	Mohamed Al-Qasem	4,600,000	5,200,000	1,225
		1,000	Internal streets	900,000	1,000,000	950
General average in the area				2,533,333	2,933,333	1,390
Ardiya handicraft Area	Craftsmanship	250	5th ring road	950,000	1,000,000	3,900
		250	Opposite Ardiya residential	850,000	900,000	3,500
		250	Main	770,000	820,000	3,180
General average in the area				867,500	785,000	3,050

Note: The general average in the area as shown in tables 21 - 25 expresses the general average of several deals made based on KFH evaluation thereof. They were not wholly listed in the price tables.

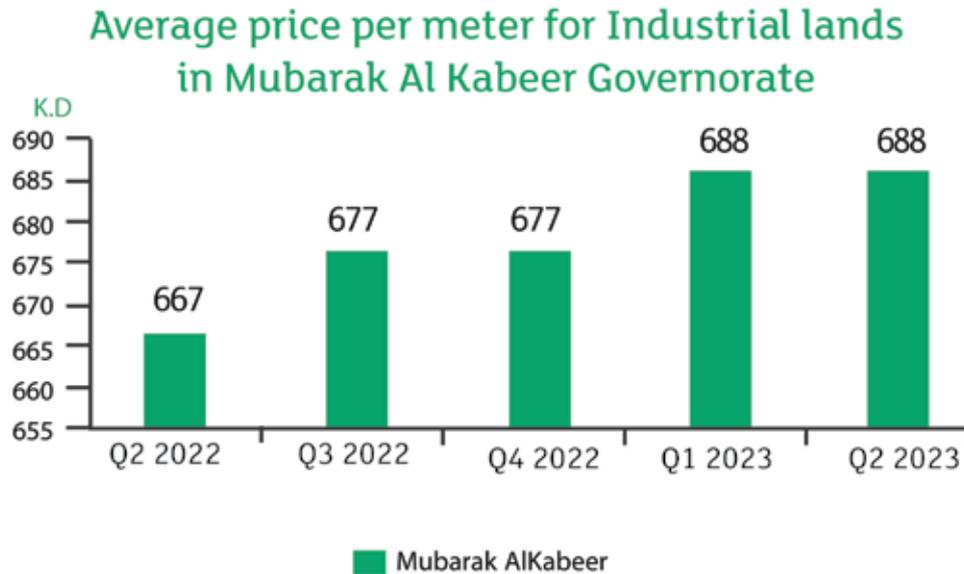
Accordingly, the reader cannot extract the general average in the area based on sample prices only in each area as shown in such tables. However, the reader can rely on the general average per square meter in the area as a price index.

### Mubarak Al-Kabeer Governorate

The average price per industrial meter in Mubarak Al-Kabeer Governorate stabilized at KD 688 by the end of Q2 2023, without any change compared to the preceding quarter. It is noted that the average price annual increase rate recorded by the end of Q2 slowed to about 3.2% against an increase rate of nearly 5.7% in Q1 2023.

The average price recorded in the handicraft areas of Mubarak Al-Kabeer Governorate stood at KD 2,238 by the end of Q2 2023 without recording a q-o-q change, which is considered high by 0.6% on annual basis.

**Figure No. (45) Price per meter for industrial land in Mubarak Al-Kabeer Governorate**



Source: KFH

**Table (23) Prices of industrial and craftsmanship plots in Mubarak Al-Kabeer Governorate**

Area	Allocation	Space in sqm	Street	Land market value (KD)		Average price for sqm in Q2 2023
				From	To	
Abu Fatira Handicraft Area	Cars showrooms	1,000	Cars	2,000,000	2,100,000	2,050
	Handicraft	500	Internal	850,000	950,000	1,800
General average in the area				1,587,500	1,912,500	2,238
Sabhan	Industrial	1,000	Main	700,000	800,000	750
		5,000	Pepsi	3,550,000	3,850,000	740
		1,000	Internal	560,000	660,000	610
General average in the area				1,855,833	2,039,167	688

Source: Kuwait Finance House

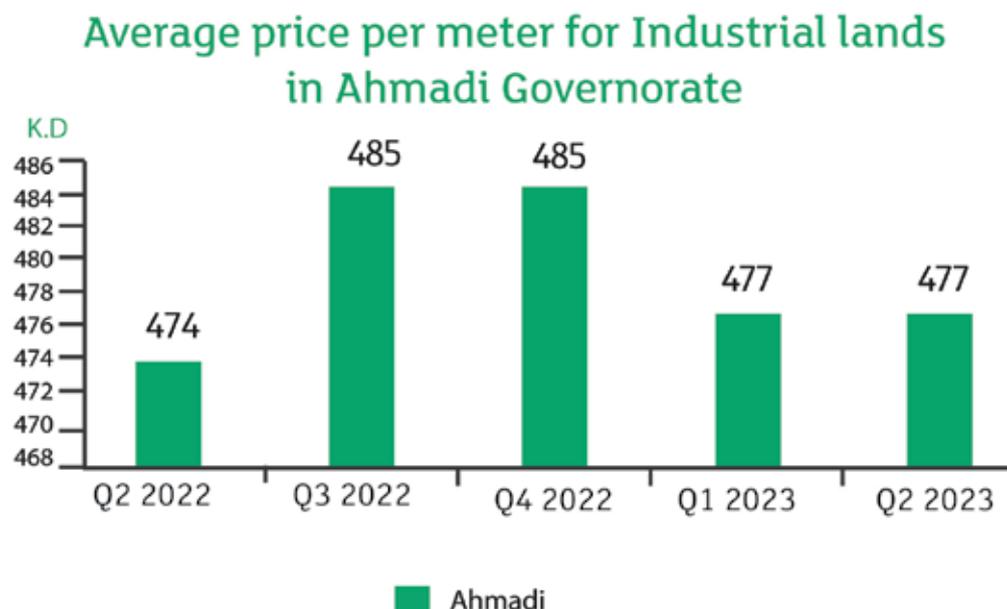
Note: The general average in the area as shown in tables 21 - 25 expresses the general average of several deals made based on KFH evaluation thereof. They were not wholly listed in the price tables.

Accordingly, the reader cannot extract the general average in the area based on sample prices only in each area as shown in such tables. However, the reader can rely on the general average per square meter in the area as a price index.

## Ahmadi Governorate

The average price per industrial meter stabilized at Ahmadi Governorate level, reaching KD 477 by the end of Q2 2023, without any change compared to the previous quarter. It is noted that the recorded average price annual increase rate in the governorate continued to slow by the end of Q2 2023 recording 0.6% compared to a higher increase by 3.1% at the end Q1 of 2023.

Figure No. (46) Price per meter for industrial land in Ahmadi Governorate



Source: KFH

Table (24) Prices of industrial plots in Ahmadi Governorate

Area	Allocation	Space in sqm	Street	Land market value (KD)		Average price for sqm in Q2 2023
				From	To	
Western Shuaiba	Industrial	120,000	Behind fuel station	9,480,000	11,760,000	89
		10,000	Internal	2,100,000	2,250,000	218
		50,000	Main	7,200,000	8,100,000	153
General average in the area				3,354,167	3,858,056	133
Fahaheel	Showrooms + industrial	1,000	Al-Dabous street	1,600,000	1,650,000	1,625
		1,000	Khaled Al-Safeeh	1,150,000	1,220,000	1,185
		1,000	Internal streets	880,000	1,050,000	965
General average in the area				1,210,000	1,306,667	1,258
East Ahmadi Industrial Area	Showrooms + industrial	7,500	Mustafa Karam	6,525,000	7,125,000	910
	Industrial	5,000	Warehouses	2,875,000	3,100,000	598
General average in the area				3,150,000	3,433,750	666

Source: Kuwait Finance House

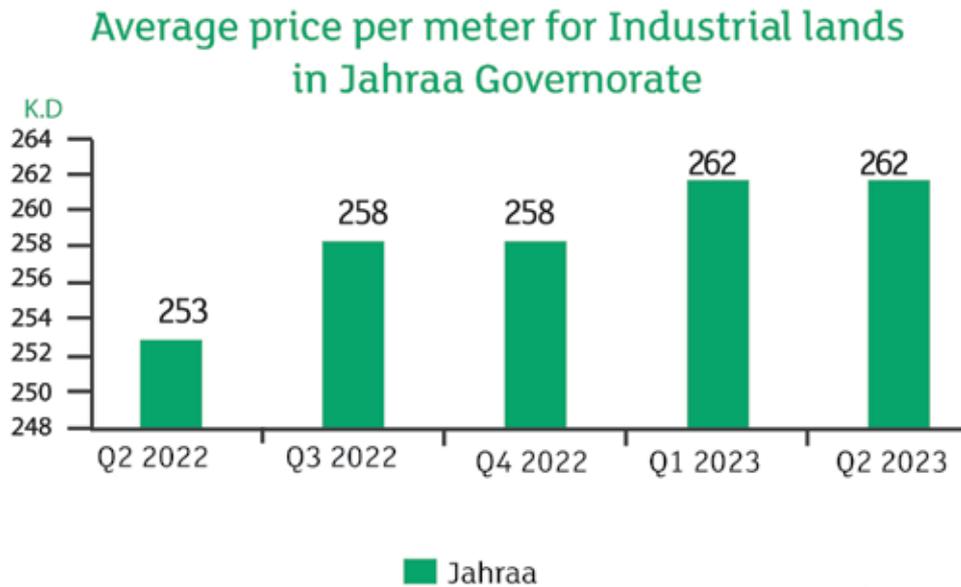
Note: The general average in the area as shown in tables 21 - 25 expresses the general average of several deals made based on KFH evaluation thereof. They were not wholly listed in the price tables.

Accordingly, the reader cannot extract the general average in the area based on sample prices only in each area as shown in such tables. However, the reader can rely on the general average per square meter in the area as a price index.

## Jahra Governorate

The average price per industrial meter in Jahra Governorate stabilized at KD 262 by the end of Q2 2023 without any change on quarterly basis. It is noted that the annual increase recorded for the average price in the governorate slowed by the end of Q2 to about 3.5%, compared to a higher increase of 5.5% in Q1 2023.

**Figure No (47) Prices per meter for industrial land in Jahra Governorate**



Source: KFH

**Table (25) Prices of industrial plots in Jahra Governorate**

Area	Allocation	Space in sqm	Street	Land market value (KD)		Average price for sqm in Q2 2023
				From	To	
Amghara	Senior contractor	10,000	Internal	2,100,000	2,350,000	223
		10,000	Main	2,300,000	2,600,000	245
	Senior contractor	5,000	Main	1,350,000	1,425,000	278
	Junior contractor	1,000	Internal	255,000	280,000	268
		1,000	Main	280,000	310,000	295
General average in the area				1,255,833	1,390,000	262

Source: Kuwait Finance House

Note: The general average in the area as shown in tables 21 - 25 expresses the general average of several deals made based on KFH evaluation thereof. They were not wholly listed in the price tables.

Accordingly, the reader cannot extract the general average in the area based on sample prices only in each area as shown in such tables. However, the reader can rely on the general average per square meter in the area as a price index.

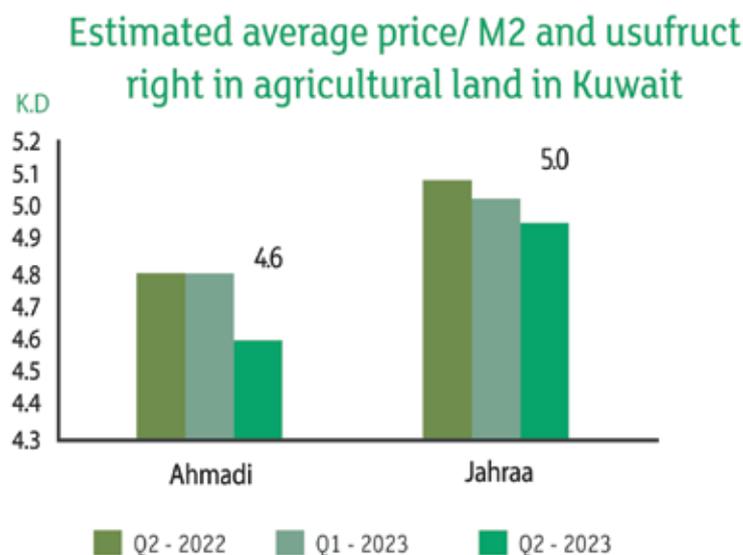
## Fifth: Prices of Farms and Livestock Pales:

### Farms Prices

By the end of Q2 2023, prices decreased by 2.4% compared to the preceding quarter in farms areas. The average estimated usufruct price per square meter reached KD 4.8 in the farms of Kuwait governorates. It is noted that y-on-y decrease rate reached to 3% at the end of Q2. With prices slowing in most areas and spaces, the annual increase slowed to 1.4% by Q2 2023, after recording an increase by 10% at the end of last year 2022.

Prices of farm areas with a space of 50 thousand sqm went down reaching about KD 4.6 per square meter i.e., by 7.1% on q-o-q basis and 8.9% on y-o-y basis. Meanwhile, land of 100 thousand sqm did not record any quarterly change, thus recording KD 4.2 per square meter without any annual changes. Locations of 150-thousand-meter area recorded KD 7.8 per sq.m without change on quarterly or annual basis. Land prices in areas of one million sqm continued to stand at about KD 3.7 per square meter without any change on quarterly or annual basis at the end of Q2 2023.

**Figure No. (48): Estimated price per meter for agricultural land**



Source: KFH

Average price per square meter decreased in Ahmadi reaching about KD 4.6 with recording first annual decrease for more than two years reaching 4.2% by Q1 2023. In Jahra, average price remained at approximately KD 5.0 without recording any change on q-o-q basis, while recording a decrease by 2.5% on y-o-y basis.

Prices stabilized in some farm areas in Jahra Governorate. The Average usufruct price per meter for a land of one million sqm for livestock farms (cows) in Sulaibiya approximated KD 3.7 per square meter i.e., the average usufruct price of this area approximates KD 3.7 million. The average usufruct price in livestock farms (cows) in a land of 150 thousand sq.m reached KD 1.2 million. Estimated average usufruct price in the farms of Abdali, Al Mutlaa road approximated KD 400 thousand for a land covering 100 thousand square meters.

Estimated average usufruct price per square meter in Ahmadi agricultural areas did not record any change, as seen for a land of 100 thousand square meters in Wafra whose price stabilized at around KD 440 thousand. Average price for land of 50 thousand square meters reached KD 240 thousand, a decrease by 7.7% on q-o-q basis.

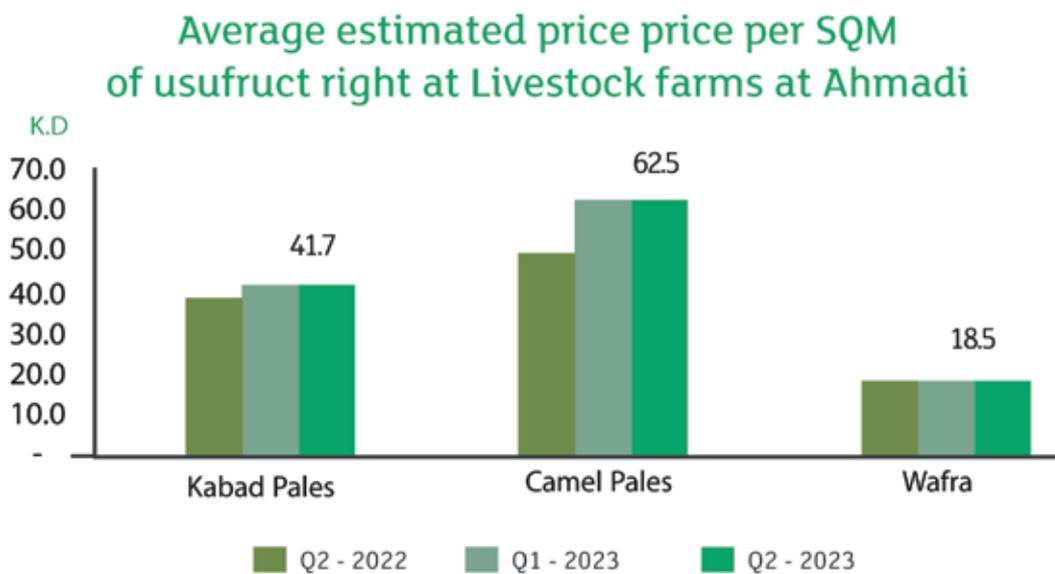
### Livestock pales prices (Jawakhir) prices

Prices in livestock pales (Jawakhir) lands recorded KD 37.4 in Ahmadi Governate at the end of Q2 2023, without any change compared to the preceding quarter while it is considered high by 10% on y-o-y basis.

Prices stabilized in some of the governorate areas on a quarterly basis. Average estimated usufruct price per square meter of a land with 2,500 square meters in Jawakhir Kabd approximated KD 36.5 by the end of Q2 of 2023. The average price of this land reached KD 91.3 thousand in this area. Average price in areas covering 1,250 sq. m. in Jawakhir Kabd approximated KD 52, while in “Rajem Khashman” as in the areas covering 1600 sq. m whose price approximated KD 62.5 by the end of Q2 without any change compared to the preceding quarter. Average estimated price of Hajan and Jawakhir Kabd area reached KD 65 thousand and KD 100 thousand for those two areas respectively.

Prices of usufruct land in Wafra livestock pales (Jawakhir Al Wafra) stabilized, as the estimated price of a land covering a 2,500 square meter approximated KD 42.5 thousand in internal areas, and KD 50 thousand in main areas without change on quarterly or annual basis.

Figure No. (49)



Source: KFH

**Table (26) Prices of Farms**

Governorate	Area	Space	Estimated Price Of Land Usufruct		Estimated Price Per sqm of Land		*AP/SQM Q2 2023
			From	To	From	To	
Al-Ahmadi	Wafra	50,000	200,000	280,000	4.0	5.6	4.8
	Wafra	100,000	400,000	480,000	4.0	4.8	4.4
Jahra	Abdali	100,000	380,000	420,000	3.8	4.2	4.0
	Sulaibiya (Cow Farms)	1,000,000	3,500,000	3,850,000	3.5	3.9	3.7
	Sulaibiya (Cow Farms)	150,000	1,050,000	1,275,000	7.0	8.5	7.8

**Table (27) Jawakhir Prices**

Governorate	Area	Space	Location	Estimated Price of Usufruct In the Plot		Price per Square Meter Of Land		*AP/Q Q2 2023
				From	To	From	To	
Ahmadi	Jawakhir Kabd	2,500	Internal	75,000	90,000	30	36	33
		2,500	Main	90,000	110,000	36	44	40
	Jawakhir Al Hajan (Rajam Khashman)	1,600	Internal - Main	90,000	110,000	56	69	63
	Jawakhir Al Wafra	2,500	Internal	40,000	45,000	16	18	17
		2,500	Main	45,000	55,000	18	22	20
	Source: Kuwait Finance House							

\*AP means the average price per meter in Kuwaiti Dinar.

## Sixth: Chalets Prices

Average linear meter price recorded KD 25,944 in the seafront and coastal strip areas. It is noted that the decision of the Ministry of Finance No. 39 of 2023 issued at the beginning of June 2023 stipulated a reduction in the fees for waiving the usufruct right after increasing it in mid-December 2022, therefore the fees were reduced from KD 10,000 to KD 3,000 for the first row chalets and from KD 5,000 to KD 1,500 for second row chalets, this decision contributed to the increase in demand for this category of real estate but its effects on the market value of these lands have not been proven.

The average price per linear meter at the sea front approximately KD 28 thousand in Ahmadi Governorate without recording any change on quarterly basis. Prices stabilized in most of the governorate areas on an annual basis. Prices in certain places, including chalets in Benaider area recorded KD 60 thousand which is the highest at the governorate level, without any change on quarterly or annual basis. Nuweiseeb area is considered the lowest price area as it recorded KD 14.5 thousand without any change on quarterly or annual basis.

**Table (28) Prices of Chalets in Ahmadi Governorate**

Ahmadi Governorate	Area	Waterfront Length by Meter	Market Value of Chalet (Land)		Linear Meter Price Of Waterfront		AP/M Waterfront of the Land Q2 2023
			From	To	From	To	
			Bneidar	20	1,100,000	1,300,000	
Nuweiseeb	20	260,000	320,000	13,000	16,000	14,500	

• AP means the average price of the plot

• The impact of Finance Ministry regarding to the new chalets fees and lands market values has not been witnessed yet.

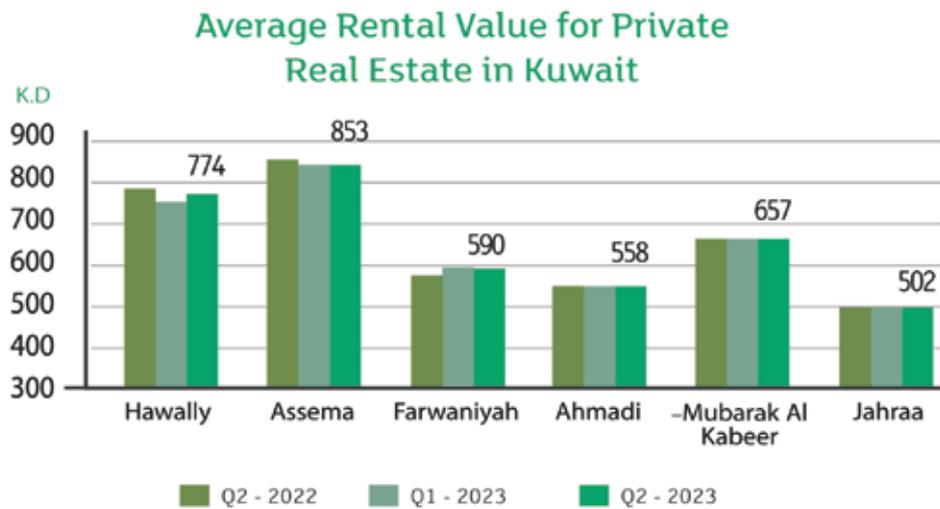
## Seventh: Leases and Occupancy Ratios

Occupancy rates stabilized compared to their former levels for all types of investment properties, thus recording 85 – 88%.

### Private Housing Rental Value

Average rental values have fluctuated in various places and areas and recorded variable change on annual basis in Q2 2023 in most of the areas. While there is a limited decline in private housing prices, a slight decline is observed in the rental value of this category of real estate, and the waiting for housing request to be allocated encouraged the trend of a large segment of citizens to rent private housing, which led to an increase in its supply while demand for areas close to the work and shopping areas that have stimulated tenant demand for this class of property.

Figure No. (50)



Source: KFH

**Average rental value for a second floor, 3 bedrooms and a hall, covering an area of 135 m<sup>2</sup>** at governorates level slightly decreased to KD 482 at the end of Q2 2023 in a private residence real estate of 400 m<sup>2</sup> area by 0.4% on annual basis without a change compared to Q1 2023. Average value reached KD 570 in Capital governorate. Average rental value decreased by 0.8% at the end of Q2 2023 after recording 11.6% in Q2 2022. Average value in Hawally Governorate reached KD 516 an annual decrease by 0.7%. Average value in Farwaniyah governorate slightly decreased to KD 397 on quarterly basis while it is higher by 1.9% on annual basis. Average rental value in Mubarak Al-Kabeer governorate reached KD 437 for the same area with an annual increase by 0.8%. Average rental value in Ahmadi governorate reached KD 375 without any change on quarterly or annual basis. Average price in Jahra governorate reached KD 345 with a quarterly decrease by 0.7% and the same rate for annual basis.

**Rental value for a full floor in a private residence covering an area of 400 meters:** Average rent value for this category at the governorates level reached KD 890, slight increase by 0.1% compared to Q1 2023 that recorded an annual decrease by about 0.5%. Average rent value in Capital Governorate reached KD 1,045 with a decrease by 0.9% on annual basis. Average rent value in Hawally governorate reached KD 953 with a decrease by 0.5% on annual basis. In Farwaniyah governorate, average rental value recorded KD 736 with an annual slight increase by 0.9%.

Average rental value for this category of private residence in Ahmadi governorate did not witness any change on quarterly basis as it recorded KD 700 without any change on annual basis. Average rental value increased in Mubarak Al-Kabeer governorate reaching KD 817 with a slight increase by 0.1% on annual basis. In Jahra governorate, average rental value reached KD 630 without any change on quarterly or annual basis.

**Average rental value for a full first or second floor at a private residence covering an area of 400 meter** at the governorates level recorded KD 790 average value decreased slightly on quarterly basis, while it declined by 0.6% on annual basis. In Capital governorate, average rental value reached KD 945 with a decrease by 1% on annual basis. Average rental value in the highest value areas e.g., Edailiya, recorded KD 1,100 i.e., and KD 1,000 in Rawda. Average value in lowest prices areas e.g., Ghernata reached KD 800 i.e. In Sulaibikhat, average rental value reached KD 600 without any change on annual basis. Average rental value in Hawally governorate reached KD 853 with an annual decrease by 0.6%. In most areas, average rental value reached KD 860 e.g., Hiteen, Shuhadaa and Zahraa. Average rental value in low price areas e.g., Salwa reached KD 700. In Farwaniyah governorate the average rental value reaching about KD 636 in Q2 2023, a decline of 2.7% compared to Q1 2023 while its considered high by 1% on annual basis. Average rental value in Ishbiliya reached KD 720 i.e., the highest average value in the governorate for this category

of private residence. Average value in most of the governorate areas reached approximately KD 600.

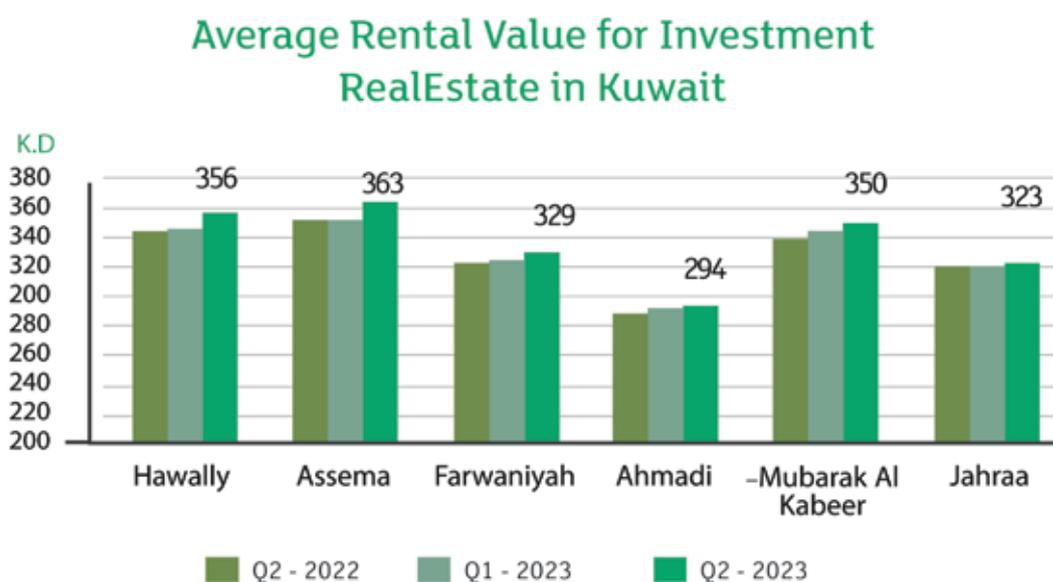
Average rental value in Ahmadi governorate stabilized at the end of Q2 2023 as it recorded KD 600 without any change on quarterly or annual basis. Average value in certain governorate areas e.g., Eqaila reached KD 600. Average rental value in Mubarak Al-Kabeer was at KD 717 without any change on quarterly basis and a slight increase by 0.1% on annual basis. Sabah Al-Salem and Al Adan areas recorded an average rental value of about KD 660 and Qurain area recorded an average value of about KD 600 without any change on quarterly or annual basis. In Jahra governorate, average rental value approximated KD 530 without any change on quarterly or annual basis.

### Investment Housing Rental Value

**The average rental value of 2 bedrooms flat and a hall covering an area of 60 m<sup>2</sup>** at all governorates level decreased reaching about KD 278 at the end of Q2 2023 without any change compared to Q1 2023 while it is slightly lower by 0.1% on annual basis. Increase ratios in average rental values differed among areas and governorates. Average price in Capital governorate reached KD 313 an increase by 4% on quarterly or annual basis. Prices increased in most of the governorate investment areas e.g., Dasman by 5% and Benaïd Al-Qar by 1.6% on annual basis. Average price for the same area in Hawally governorate reached KD 306 i.e., an increase and by 3.4% on quarterly basis and by 2.7% on annual basis. average rental value reached KD 305 in Salmiya an annual increase of 1.7%. In Hawally area it reached KD 278 an annual increase of 2.8%, and in Jabriya it reached to about KD 315 an increase by 1.6% on annual basis.

In Farwaniyah governorate, average value reached KD 279 i.e., an increase by 1.6% on quarterly basis and by 1.1% on annual basis. Average rent in Farwaniyah area reached KD 273 i.e., an increase by 1.9% on annual basis, while in Reqa'e it reached KD 305 i.e., an increase by 1.7% on annual basis. Average rent increased in Ahmadi governorate to reach KD 244 i.e., an increase by 1.2% on annual basis. Prices in certain areas of the governorate including Fintas and Abu-Halifa reached KD 250 and KD 240 respectively and in Mahboula reaching KD 215 without any change on annual basis. Average rent in Mubarak Al-Kabeer governorate reached KD 300, an increase by 1.7% as seen in Sabah Al-Salem. In Jahra governorate average rent recorded KD 273 an increase by 0.9% on annual basis.

Figure No. (49)



Source: KFH

**Flats with 2 bedrooms and a hall covering an area of 70 – 74 m<sup>2</sup>:** Average rental value increased to reach KD 315 i.e., an increase by 2.1% on annual basis. Rental value in Capital Governorate reached KD 343 at the end of Q2 2023, an increase by 3.6% on quarterly and annual basis. In Hawally Governorate, average rental value reached KD 336 i.e., an increase by 3.1% on quarterly basis and by 2.5% on annual basis, bearing in mind that most of the investment areas in the governorate have recorded an annual increase in value including Salmiya area which has recorded KD 335 and Hawally KD 308. In Farwaniyah Governorate, average rental value reached KD 309 i.e., an annual increase by 1.0%. Average rental value in Reqa'e area reached KD 335 marking an increase by 1.5% on annual basis. Average rental value in Kheitan reached KD 300 and Farwaniyah reached KD 303 i.e., an annual increase by 0.8% and 1.7% while in Ahmadi Governorate it reached KD 274 an annual increase by 1.1%. Average value in Mubarak Al-Kabeer Governorate for the same area increased to reach about KD 330, an annual increase by 1.5%. While in Jahra Governorate, average value reached KD 303 an annual increase by 0.8%.

**Investment apartments covering an area of 80 – 85 m<sup>2</sup>:** Average rental value at all governorates level increased to reach KD 345 i.e., an increase by 1.9% on annual basis, while it is higher by 2% compared to Q1 2023. Average value in Capital Governorate reached KD 373 at the end of Q2 2023 an increase by 3.3% on quarterly and annual basis while prices increased in most areas of the Capital. In Hawally Governorate it reached KD 366 i.e., an increase by 2.3% on annual basis. Average rental value in Farwaniyah Governorate reached KD 339 i.e., an annual increase by 0.9%. Average value in Ahmadi Governorate reached KD 304 an increase by 1% on annual basis driven by an increase in value in some areas e.g., Mangaf which recorded KD 315 i.e., an increase by 3.3% and in Mahboula which has recorded about KD 275 i.e., without any change on annual basis. Average value in Mubarak Al-Kabeer Governorate reached KD 360, marking an annual increase by 1.4% while it reached in Jahra KD 333 a slight annual increase by 0.8%.

**Average rental value for a flat covering an area of 100 – 110 m<sup>2</sup>** reached KD 395 at all governorates level at the end of Q2 2023 i.e., an increase by 1.6% on annual basis. In Capital Governorate, Average rental value reached KD 423 an increase by 2.9% on annual basis. Average value increased in most of the Capital governorate areas including Desman and Benaïd Al-Qar. Average rent in Hawally governorate reached KD 416 with an annual increase by 2.0% at the governorate level. Average value in Shaab increased to reach KD 435 i.e., an increase by 3.6% on annual basis. In Salmiya, it reached KD 415 marking an annual increase by 1.2%. Average rental value reached KD 389 in Farwaniyah governorate, marking an annual increase by 0.8% and a limited increase in most of the areas including Kheitan which reached KD 380 marking an increase by 0.7%. In Reqa'e, average rental increased by 1.2% reaching KD 415. In Ahmadi governorate, average rental value recorded KD 354, with an annual increase of 0.9%, and an annual increase Manqaf by 2.8%. In Abu-Halifa, the average value stabilized at KD 350 while in Fintas reached KD 360. In Mahboula, average value reached KD 325 without witnessing any change on an annual basis. In Mubarak Al-Kabeer governorate, average value reached KD 410, marking a quarterly increase by 1.2% while in Jahra it recorded KD 383, a slight annual increase by 0.7%.

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. However, we 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 landlord will eventually increase rent for the new tenant.

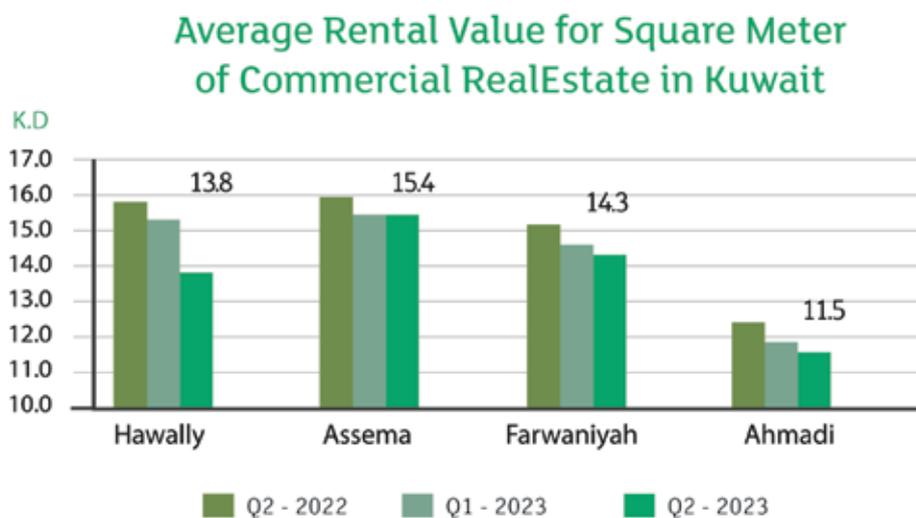
Average property trading is considered a significant factor for the assessment of rental value. There are distinguished areas, e.g., Shaab, Mirgab, Bneid Al Gar, Sharq and other places inside those distinguished areas e.g., Qatar and Bahrain Streets in Salmiya, real estate buildings overlooking the coast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

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 has been 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.

### Commercial Real Estate Rental Value

Average rental value of a commercial meter for a net ground floor space recorded KD 23.6 per square meter, i.e., a decline by 6.7% on annual basis without any change on quarterly basis. Average rent ranged between KD 10 – KD 26 in most of the areas at all governorates level. Also, it exceeds this value to reach KD 29 in certain distinguished places. Average value in downtown area – Capital governorate reached KD 29 i.e., a decline for the second time respectively by 3.3% on annual basis. In Hawally area, average value reached KD 26 i.e., a decline by 5.5% on annual basis. In Salmiya, it reached KD 28 i.e., a decline by 3.4% on annual basis for the second quarter 2023 consecutively. Average value declined in Farwaniyah by 6.5% on annual basis as it reached KD 29. In Kheitan, average value declined by 12.3% as it reached KD 25 on annual basis.

Figure No. (50)



Source: KFH

Average rent per square meter in a commercial real estate- Mezzanine reached KD 10.3 at all governorates level at the end of Q1 and Q2 2023, thus recording an increase by 13% compared to an average of KD 9.2 per square meter in Q2 2022. Also, it reached KD 12.5 in certain areas of the Capital governorate, thus marking an increase by 13.6% on annual basis. In commercial areas of Hawally, the average rental value reached KD 10.5 i.e., an increase by 10.5% on annual basis and reached KD 11.5 in Salmiya i.e., an increase by 15% on annual basis. Average value in Fahaheel reached KD 11.5, an increase by 9.5% on annual basis. Whereas in Mangaf, it was less than that as it reached KD 7.8 i.e., an increase by 10.7% on annual basis. Average value in Farwaniyah area reached KD 12 i.e., an increase by 9.1% on annual basis.

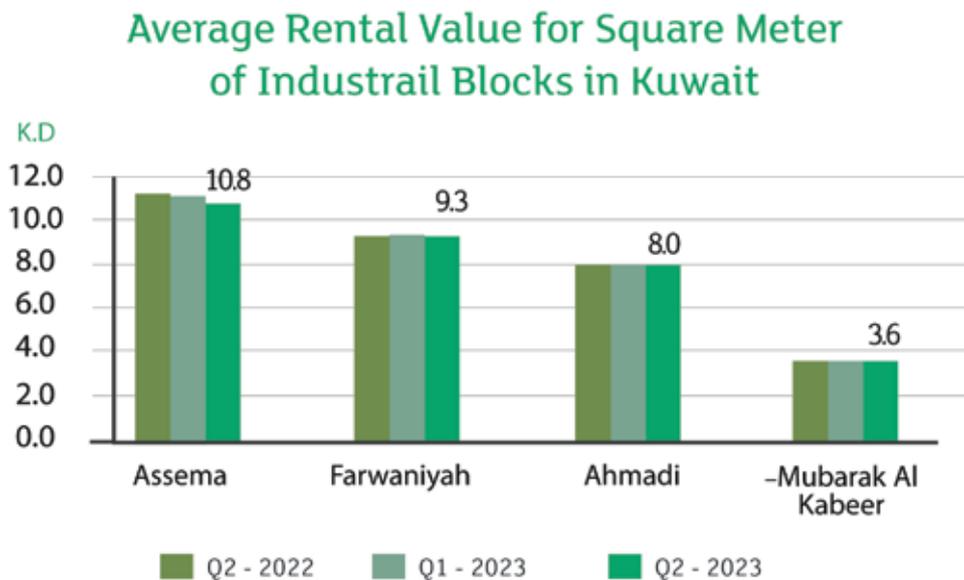
Rental value of offices differs according to location, type, finishing, and services provided to real estate tenants. Average value recorded KD 7 per square meter at governorates level i.e., a decline by 13.7% on annual basis. Average value declined in city area – Capital governorate to KD 9.5 i.e., a decline by 2.6%. In Hawally area, it reached KD 7.5 without any change on annual basis. Average value declined in Salmiya to KD 8.3, marking an annual rate of 2.9%. While in Farwaniyah, it reached KD 8.5 without any change on annual basis. Fahaheel area recorded an average rental value of KD 8.3 at the end of Q2 2023, a decline by 2.9% on annual basis.

### Industrial Plots Rental Value

Average rental price per industrial square meter for Shuwaikh Industrial area showrooms recorded KD 4.8 for basement, an increase by 11.8% compared to Q1 2023. Average price for ground floor recorded KD 25.5 without any change on quarterly basis. In Rai area – Basement, average value recorded KD4 while price for ground floor reached KD 26 without any change on quarterly basis.

Prices differ according to location, other advantages, and space. Average rental price per square meter in Ardiya area (warehouses) basement reached KD 3.5 without any change on annual basis and reached KD 7 for ground floor without any annual change. Price exceeded this value in Ardiya area (handicraft) as it recorded KD 7 for basement while average rental price for ground floor reached KD 24. Average price per meter in Eastern Ahmadi reached KD 2.5 for basement and KD 15 for ground floor. Average rental value per meter in industrial Fahaheel reached KD 3 for basement while price per square meter exceeded this value for ground floor to reach KD 21 at the end of Q2 2023.

Figure No. (51)



Source: KFH

**Table 29: Average rental value for a newly built private residence in KD covering an area of 400m in Kuwait governorates during Q2 2023**

Hawally Governorate	3 Bedrooms, a Hall & 4 Bathrooms + Maid Room (1st & 2nd Floor) (135) m		Full Floor (Ground)		Full Floor (1st or 2nd)	
Sideeq	520	620	990	1,090	890	990
Salam	500	600	950	1050	850	950
Hiteen	480	565	910	1010	810	910
Shuhadaa	480	565	910	1010	810	910
Zahra	480	565	910	1010	810	910
Shaab	535	585	1,020	1,120	920	1,020
Mishref	515	535	980	1080	880	980
Bayan	420	525	790	890	690	790
Mubarak Al Abdullah	490	590	930	1030	830	930
Salwa	400	500	750	850	650	750
Jabriya	475	520	900	1000	800	900
Rumaithiya	425	500	800	900	700	800

Capital Governorate	3 Bedrooms, a Hall & 4 Bathrooms + Maid Room (1st & 2nd Floor) (135) m		Full Floor (Ground)		Full Floor (1st or 2nd)	
Edailiya	600	700	1150	1250	1050	1150
Faihaa	550	650	1050	1150	950	1050
Rawda	550	650	1050	1150	950	1050
Yarmouk	550	650	1050	1150	950	1050
Kaifan	550	650	1050	1150	950	1050
Mansouriya	600	700	1150	1250	1050	1150
Qadsiya	550	650	1050	1150	950	1050
Da'iya	500	600	950	1050	850	950
Dasma	500	600	950	1050	850	950
Surra	520	620	990	1090	890	990
Qurtuba	520	620	990	1090	890	990
Gernata	450	550	850	950	750	850
Sulaibikhat	350	400	650	750	550	650

Farwaniyah Governorate	3 Bedrooms, a Hall & 4 Bathrooms + Maid Room (1st & 2nd Floor) (135) m		Full Floor (Ground)		Full Floor (1st or 2nd)	
Farwaniyah	330	400	610	710	510	610
Omariya	400	450	750	850	650	750
Khaitan	350	410	650	750	550	650
Ishbilyah	410	470	770	870	670	770
Rabia	350	400	650	750	550	650
Rehab	350	400	650	750	550	650
Ardiya	375	425	700	800	600	700
Al Andalus	380	450	710	810	610	710

Ahmadi Governorate	3 Bedrooms, a Hall & 4 Bathrooms + Maid Room (1st & 2nd Floor) (135) m		Full Floor (Ground)		Full Floor (1st or 2nd)	
Hadiya	350	400	650	750	550	650
Egaila	350	400	650	750	550	650
Mangaf	350	400	650	750	550	650

Mubarak Al-Kabeer Governorate	3 Bedrooms, a Hall & 4 Bathrooms + Maid Room (1st & 2nd Floor) (135) m		Full Floor (Ground)		Full Floor (1st or 2nd)	
Sabah Al Salem	380	430	710	810	610	710
Masayel	470	550	890	990	790	890
Abu Fatira	420	480	790	890	690	790
Addan	380	430	710	810	610	710
Qurain	350	400	650	750	550	650

Jahra Governorate	3 Bedrooms, a Hall & 4 Bathrooms + Maid Room (1st & 2nd Floor) (135) m		Full Floor (Ground)		Full Floor (1st or 2nd)	
Old Jahra	330	380	610	710	510	610
Saad Al-Abdullah	300	370	550	650	450	550

Source: Kuwait Finance House

**Table 30: Average Rental Value - Investment Properties  
in Kuwait Governorates during Q2 2023 (KD)**

<b>Hawally Governorate</b>	<b>2 Bedrooms, a Hall &amp; 2 Bathrooms (60)m</b>		<b>2 Bedrooms, a Hall &amp; 2 Bathrooms (70 - 74)m</b>		<b>2 Bedrooms, and 2 Bathrooms &amp; maid room (80 - 85)m</b>		<b>3 Bedrooms, a Hall &amp; maid room (100 – 110)m</b>	
Salmiya	290	320	320	350	350	380	400	430
Hawally	275	280	305	310	335	340	385	390
Jabriya	310	320	340	350	370	380	420	430
Shaab	320	330	350	360	380	390	430	440
<b>Capital Governorate</b>	<b>2 Bedrooms, a Hall &amp; 2 Bathrooms (60)m</b>		<b>2 Bedrooms, a Hall &amp; 2 Bathrooms (70 - 74)m</b>		<b>2 Bedrooms, 2 Bathrooms &amp; Maid room (80 - 85)m</b>		<b>3 Bedrooms, a Hall &amp; maid room (100 – 110)m</b>	
Sharq	310	320	340	350	370	380	420	430
Qibla	310	315	340	345	370	375	420	425
Eastern Muqawa	310	315	340	345	370	375	420	425
Dasman	310	320	340	350	370	380	420	430
Bneid Al Gar	300	320	330	350	360	380	410	430
<b>Farwaniyah Governorate</b>	<b>2 Bedrooms, a Hall &amp; 2 Bathrooms (60)m</b>		<b>2 Bedrooms, a Hall &amp; 2 Bathrooms (70 - 74)m</b>		<b>2 Bedrooms, 2 Bathrooms &amp; maid room (80 - 85)m</b>		<b>3 Bedrooms, a Hall &amp; maid room (100 – 110)m</b>	
Kheitan	260	280	290	310	320	340	370	390
Farwaniyah	265	280	295	310	325	340	375	390
Jaleeb Al Shuyoukh	260	280	290	310	320	340	370	390
Reggae	300	310	330	340	360	370	410	420
<b>Ahmadi Governorate</b>	<b>2 Bedrooms, a Hall &amp; 2 Bathrooms (60)m</b>		<b>2 Bedrooms, a Hall &amp; 2 Bathrooms (70 - 74)m</b>		<b>2 Bedrooms, 2 Bathrooms and maid room (80 - 85)m</b>		<b>3 Bedrooms, a Hall &amp; maid room (100 – 110)m</b>	
Fintas	240	260	270	290	300	320	350	370
Mahboula	200	230	230	260	260	290	310	340
Abu Halifa	230	250	260	280	290	310	340	360
Mangaf	250	260	280	290	310	320	360	370
Fahaheel	255	265	285	295	315	325	365	375
<b>Mubarak Al Kabeer Governorate</b>	<b>2 Bedrooms, a Hall &amp; 2 Bathrooms (60)m</b>		<b>2 Bedrooms, a Hall &amp; 2 Bathrooms (70 - 74)m</b>		<b>2 Bedrooms, 2 Bathrooms and maid room (80 - 85)m</b>		<b>3 Bedrooms, a Hall &amp; maid room (100 – 110)m</b>	
Sabah Al Salem	290	310	320	340	350	370	400	420
<b>Jahraa Governorate</b>	<b>2 Bedrooms, a Hall &amp; 2 Bathrooms (60)m</b>		<b>2 Bedrooms, a Hall &amp; 2 Bathrooms (70 - 74)m</b>		<b>2 Bedrooms, 2 Bathrooms &amp; maid room (80 - 85)m</b>		<b>3 Bedrooms, a Hall &amp; maid room (100 – 110)m</b>	
Al Jahraa	260	285	290	315	320	345	370	395

Source: Kuwait Finance House

**Table (31): Average Rental Trading Value in KD of Commercial Real Estate  
in Kuwait Governorates during**

Average Rental Price per Square Meter (KD)

Area	Basement		Ground Floor		Mezzanine		Offices	
	From	To	From	To	From	To	From	To
Salmiya	9	11	18	38	11	12	8	9
Hawally	9	10	17	35	10	11	7	8
Farwaniyah	10	11	20	38	11	13	8	9
Khaitan	9	11	18	32	11	12	7	9
Mangaf – Aziziyah	6	8	12	20	7	9	6	7
Fahaheel	9	11	18	33	11	12	8	9
Dajeej (Farwaniyah)**	4	5	8	12	5	6	-	-
Kuwait/City***	10	12	20	38	12	13	9	11

Average rental values per square meter increase in prime locations and modern buildings. Activity type is also considered. The average rental price of a square meter shall include the net rental area in accordance with the relevant building license issued by Kuwait Municipality.

\*\* Basement as a commercial unit and not a store

\*\*\* Administrative and commercial towers

**Table (32) Average rental trading value in KD of Industrial plots  
in Kuwait Governorates during Q2 2023**

Average Rental Price per Square Meter (KD)

Area	Basement (warehouses)		Ground Floor (showrooms)		Mezzanine (Offices)	
	From	To	From	To	From	To
Industrial Shuwaikh	3.5	6.0	6.0	45.0	2.5	4.5
Al Rai	3.0	5.0	7.0	45.0	3.0	4.5
Sabhan	2.0	3.0	3.5	6.5	3.0	3.5
Ardiya (Stores)	3.0	4.0	6.0	8.0	3.0	4.0
Ardiya (handicraft)	6.0	8.0	12.0	36.0	4.0	5.0
East Ahmadi	2.0	3.0	5.0	25.0	2.5	3.0
Industrial Fahaheel	2.5	3.5	7.0	35.0	3.0	4.0

Source: Kuwait Finance House

Average rental values per square meter increase in prime locations and modern buildings. Activity type is also considered. The average rental price of a square meter shall include the net rental area in accordance with the relevant building license issued by Kuwait Municipality.

\*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 report highlights the general trends of Kuwait Real estate market trading prices. However, the method applied by the Evaluation and Studies department at KFH is dependent on the study of each property separately including features, rental value and returns 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:**

### **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 land which was 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 handicraft 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 m<sup>2</sup>. 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 seedlings, 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 Measurements

### Length:

□ The International unit for measuring length is the Meter (M)

**(1 M = 10 DCM = 100 CM = 1000 MM)**

<b>1 Yard =</b>	3 Feet = 0.9144 M
<b>1 Foot =</b>	12 Inches = 30.48 CM = 0.3048 M
<b>1 Inch =</b>	2.54 CM = 0.0254 M
<b>1 Kilometer =</b>	0.6214 Miles = 1000 M
<b>1 Land Mile =</b>	1.6093 Kilometers = 1609.0 M
<b>1 Nautical Mile</b>	6080 Feet = 1.853 Kilometers = 1853 M
<b>1 League =</b>	3 Miles = 4.8281 Kilometers = 4828 M
<b>1 Boa =</b>	2 Meters approximately
<b>1 Fathom =</b>	182.88 CM = 1,8288 M
<b>1 Cubit =</b>	51 CM = 0.51 M
<b>1 Span =</b>	22.86 CM = 0.0229 M
<b>1 Meter =</b>	1.0936 Yard = 3.2808 Feet = 39.37 Inches

### Area:

□ The International unit for measuring length is the Square Meter (M<sup>2</sup>)

<b>1 Hectare =</b>	10 Donum = 2.471 Feddan = 10,000 M <sup>2</sup>
<b>Feddan or Acre =</b>	4046.8 M <sup>2</sup>
<b>1 Donam =</b>	1,000 M <sup>2</sup>
<b>1 Square Meter =</b>	10,764 Feet

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**بيت التمويل الكويتي**  
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