

Prepared Exclusively for

LEADERS CLUB
by LEBANON OPPORTUNITIES

REAL ESTATE INDEX

Executive Summary
2019

INFOPRO
RESEARCH

About the Real Estate Index

InfoPro has monitored the residential real estate market in Lebanon for the past 20 years. Its databases contain data about every building developed during that period in Greater Beirut and the Mount Lebanon area. Data for buildings under development is captured through extensive ground surveys, desk research, and then through interviews with developers.

InfoPro, based on the compiled data developed the Real Estate Index, a set of indicators that tracks **new residential apartments** over time by providing the following set of indicators:

- Price Index
- Inventory Index
- Newly Announced Properties Index.

These indices are segmented across Administrative Beirut, Beirut Suburbs, and the coastal areas/main urban centers of Mount Lebanon: Metn, Baabda, Kesrouan, and Aley.

- The Price Index provides the average asking price per square meter across caza, region, and sub-area. It is calculated as the average price of units in an area. The baseline year is 2018, with a nominal value of 100. The value of each half-year is plotted to show fluctuations in real estate prices across sub-areas.
- The Inventory Index contains the number of buildings with apartment units available for sale across caza, region, and sub-areas.
- The Newly Announced Properties Index has the complete supply of new buildings and apartment units launched across every six months. The index tracks average prices and sales of apartment units launched in that time frame only.

The indices are presented in an online dashboard format and are updated completely twice per year. For more information, please visit <http://real-estate-index.infopro.com.lb/>

Indices Summary

In 2019, around 4,835 new apartments were sold, a decrease of 16 percent from 2018. Metn registered the highest number of new apartments sold. Administrative Beirut had the least.

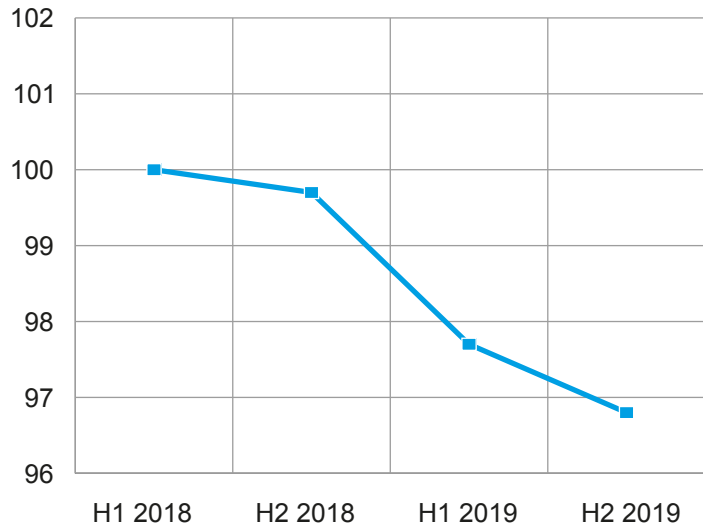
Areas	Number of new apartments sold in 2018	Number of new apartments available end of 2018	Number of new apartments sold in 2019	Number of new apartments available end of 2019
Beirut	160	7,351	108	7,330
Baabda	1,280	5,133	817	4,798
Aley	1,046	6,286	878	5,614
Metn	2,602	8,325	2,203	7,060
Kesrouan	675	5,099	829	4,708
Total	5,763	32,194	4,835	29,510

Price Index

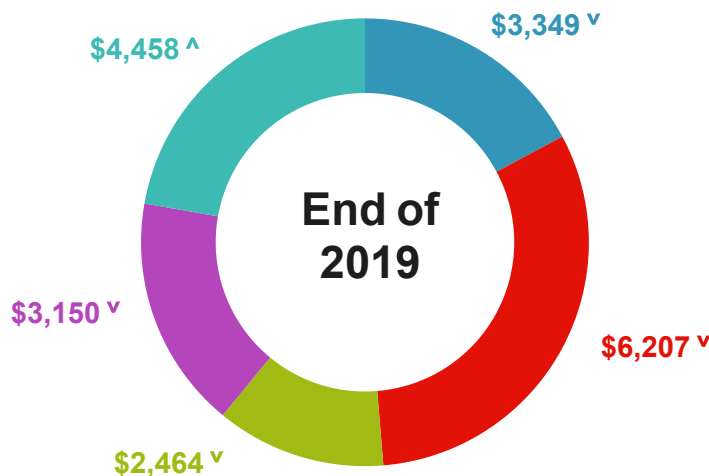
Beirut Prices

Beirut saw a downward trend in prices. At the end of 2019, prices regressed by 2.34 points compared to the end of 2018 and by just 0.38 points compared to the first half of 2019.

The Beirut Central District registered the highest price at \$6,200/m² on average. Mazraa had the lowest price at \$2,460/m² on average.



Beirut Central District registered the highest price at \$6,250/m² on average, while Mazraa had the lowest price at \$2,470/m² on average.



^ indicates an increase in price since the end of 2018

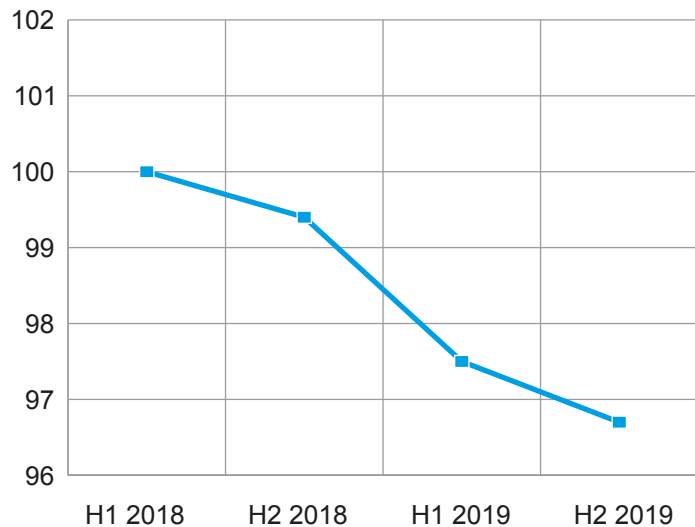
v indicates a decrease in price since the end of 2018

- Ashrafieh ● Beirut Central District ● Mazraa
- Mousseitbeh ● Ras Beirut

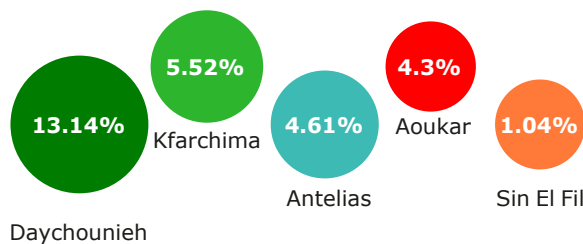
Beirut Suburbs Prices

Beirut's suburbs declined at a faster rate, at 2.65 points when compared to the end of 2018, and by 0.83 points when compared to the first half of 2019.

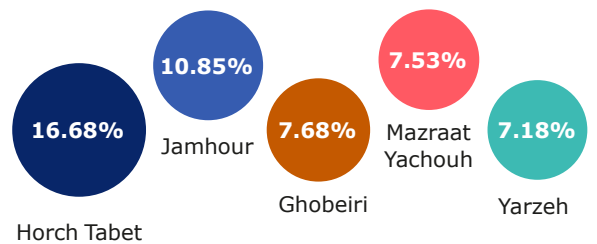
Daychounieh tops the list with a 13 percent price increase between the end of 2019 and the end of 2018. Horch Tabet saw the largest price decrease with a drop of 16 percent during the same period.



Areas with the biggest increase in price (Since the end of 2018)



Areas with the biggest decrease in price (Since the end of 2018)

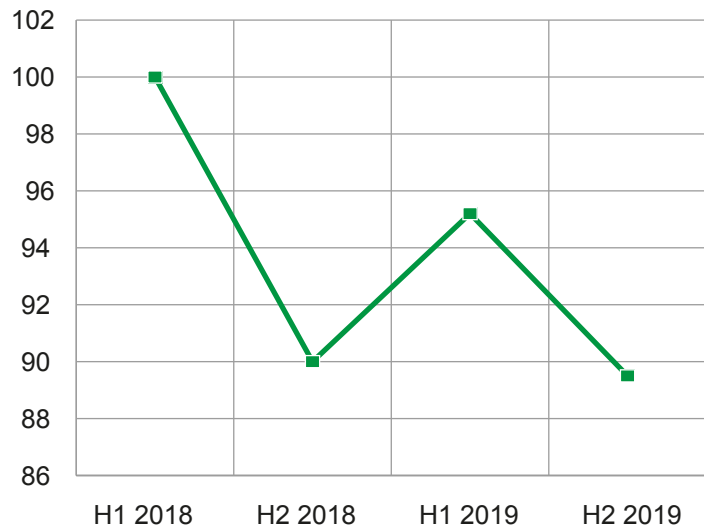


Other areas

	2019 vs 2018 – end of year	H2 2019 to H1 2019
Aley	-2.67	-1.33
Baabda	-3.19	-1.35
Kesrouan	-3.25	-0.7
Metn	-2.32	-1.08

Inventory Index

The availability of new apartments for sale for **Beirut** has decreased. At the end of 2019, supply in Beirut has decreased by 0.28 points when compared to the end of 2018. The index decreased by 5.6 points at the end of 2019 when compared to the first half of 2019 especially after mid-October. Due to the current liquidity problem, the volatility of the dollar and the fear of a potential haircut, the real estate market has seen an increase in demand as people consider real estate properties a safer investment option than banks and thus the availability of apartments decreased.



In **Beirut's suburbs**, the availability of new apartments for sale has decreased by 13 points since the end of 2018 and by another 13 points when compared to the first half of 2019 for the same reasons stated above.

