

2020

TRENDS

BAHRAIN REAL ESTATE MARKET REPORT



IN THIS ISSUE

ISSUE NO. 5 - 2020

01 PROPERTY TRENDS

02 COMMUNITY SPOTLIGHT



03 CONTRIBUTORS

04 CONSUMER SEARCHES EXPLAINED

05 COMMERCIAL

06 WE ARE PROPERTY FINDER

A photograph of a young girl with dark hair in pigtails, sitting at a table and covering her face with her hands. In the foreground, there is a yellow bowl with a spoon in it. Overlaid on the image is a graphic of a search interface. On the left, the text "Let's move closer to school" is displayed. Next to it is a search bar containing "Villa" with a dropdown arrow. To the right of the search bar is a red button with the word "Find" in white. A white cursor arrow points to the "Find" button. At the bottom left, there is a logo for "Property Finder" with the tagline "Where life moves".

« Our mission remains the same: to educate property seekers about the market, so that they are able to make well-informed decisions, and to use our wealth of quantitative information, and vast data sets to create solutions and insights for all stakeholders in the market. »



DEAR READER

What a year 2020 was! The global pandemic has undoubtedly affected economies worldwide, real estate businesses included. However, with what is now considered to be the “new norm,” I am certain that greener pastures are in our future. 2020 is behind us, and it ended well.

Last year introduced to us a number of new challenges, but we were able to adapt into a new way of thinking, helping us deliver more value to our partners and end-users than ever before. Obviously, the journey to a full recovery will not be a sprint. Instead, it is more like a marathon, but the reward is going to be worth every effort, as Bahrain paves the way to being a very attractive investment destination. A more tranquil and calmer political situation in the region is also an indication of great things to come, as real estate investments are already starting to surge.

Our mission remains the same: to educate property seekers about the market, so that they are able to make well-informed decisions, and to use our wealth of quantitative information, and vast data sets to create solutions and insights for all stakeholders in the market. Just like our previous issues, Volume 5 of our Trends report covers the market in terms of supplying data on price trends, demand data, and our contributors section, which includes article from market leaders who continue to use Trends as a platform to voice their opinions on the industry.

Let's brace for an exciting year, one that puts Bahrain on the world stage and offers an opportunity to showcase its wide range of real estate assets to a global audience.

Enjoy reading this edition of Trends.

Khaled Al Saeh
Country Manager

CONTRIBUTORS



Eng. Abdulrahman Al Koheji
CEO
Esnad Management

Background

Eng. Abdulrahman Al Koheji – CEO of Esnad Management, and prominent member of Bahrain Chamber of Industry and Commerce, carries a rich background in project management and overseeing developments from concept to delivery. His passion is to elevate the standards of real estate in the GCC. Armed with an engineering educational background and a property development career, Eng. Abdulrahman has the technical knowledge of the construction and the requirement analysis of the developer. He has also successfully launched the largest property management company in Bahrain, Esnad Management, which facilitates the daily operation of over 3,000 units.

Takeaway

One of the trends that the real estate sector has picked up during COVID-19 is digitization. The growth of online real estate services transformed home buying, selling and leasing into a virtual experience. This article gives an in-depth look into how much further digitization can take real estate and its endless possibilities.



Aziz Mithaiwala
Managing Director
Pegasus Real Estate

Background

A marketing and management professional with humble beginnings in the airline industry, Aziz entered the real estate development and services business in 2005. With 16 years of successful transactional experience behind him, he continues to encourage his team of 20 real estate professionals across three offices in Bahrain and the realty services community at large, in adapting to the new normal with innovative digital technologies with the aim of spreading the positives in the real estate industry.

Takeaway

An important subject to all real estate professionals in Bahrain and elsewhere looking to keep their roots embedded in the real estate business. Acceptance and adoption of the technologies available to professionals in this volatile business situation to keep afloat and further the business which many of us consider our daily bread winner is not just important but necessary.



Dr. Bashar Ahmadi
CEO
Orchid Developers

Background

Ph.D., Engineering
M.Sc., Engineering
B.Sc., Architectural Engineering
B.Sc., Civil Engineering
- Chairman, Dept. Civil & Architectural Engineering, University of Bahrain
- Associate Professor, University of Bahrain
- Director, Continuing Engineering Education, University of Bahrain
- Adjunct Professor, University of Miami

Takeaway

It is important for readers to understand the changes that have taken place over the past year, and to spread awareness that despite some uncertainty, the market is still booming, and has a lot of potential.



Hashim Kadhem
MSc MRICS, Associate Director - Head of Professional Services
Savills - Bahrain

Background

Hashim joined Savills in January 2015 as a surveyor in Professional Services. He was previously an analyst at a top four international real estate consultancy in London, specialising in residential research. It was there he completed various consultancy projects for external clients: developers, housebuilders, institutions, funds and investors. Before this role, Hashim completed his BSc in Real Estate and MSc in Real Estate Finance graduating from the University of Westminster, London with distinction in both. His areas of focus are valuation and development advisory, including feasibility and highest and best use studies. Hashim has advised several financial institutions, private investors and governments on a variety of real estate matters across Bahrain, Saudi Arabia, Kuwait and Africa. Hashim is an RICS Registered Valuer and a RERA Registered Valuer (Classification A).

Takeaway

An insight into the ever-evolving retail market landscape with glimpses of retail trends from across the globe and the opportunities available to Bahrain.



Hazeeth Hari
Director - Sales and Marketing
Mikal Real Estate

Background

Hazeeth has been the Director of Sales and Operations of Mikal Real Estate for the last four years. He recognizes the value and the trust of his clients and strives every day to exceed their expectations. Prior to entering real estate, he worked as a Senior Finance and Property Manager in a reputed investment company in The Kingdom of Bahrain. These experiences instilled in him the discipline it takes to build one of the leading real estate teams in Bahrain.

Takeaway

We chose this topic because we think the COVID-19 pandemic and the impact it has had on society and our daily life has been one of the major issues in the world and our community since November 2019. I am sure none of us would have ever anticipated a crisis in 2020. However, we strongly believe that with a clear strategy on how to move ahead, by thinking differently and being resilient in difficult situations, we will continue to witness success stories in our industry and beyond.



Islem Fawzi Gabsi
Managing Director
MGI Real Estate and Property Management

Background

Being an Arab woman and being able to infiltrate the real estate market in the midst of a global pandemic is only one of the obstacles that Islam had to overcome to reach her goal. Under her promising MGI leadership, she became youngest Chairman of a real estate group in the Kingdom of Bahrain. Her eloquence and fluency in multiple languages has helped her succeed in both career paths, and helped her make a name for herself in the local market, which has been cemented in the MGI Real Estate Marketing Group.

Takeaway

The global pandemic has changed many aspects in our daily lives. Regardless, through proper strategies, budgeting and planning, real estate companies still have their strengths, advantages and can still thrive through this pandemic.



Mohammed Ashraf
Sales and Marketing Director
Era Real Estate

Background

Ashraf is a post graduate in IT & MBA Marketing, and has been the Sale and Marketing Director for Era Real Estate for over five years. Ashraf has 19 years of managerial skills and possesses a well-rounded experience concerning leasing/facility management and marketing, in addition to in-depth insight to the needs and changes in the market that can help owners keep up with the market and enjoy their investment returns.

Takeaway

During these unprecedented economic times, there is no better way than using technology to embrace change. The benefit of being part of the new digital transformation will help sell yourself better professionally and efficiently. Since then, virtual viewings have become even more popular with house hunters and sellers, as with just one click, you are part of the entire viewing process at the convenience of your home and your armchair.



Eng. Ahmed Ali Alammadi
Chief Executive Officer
Diyar Al Muharraq W.L.L.

Background

Bringing 20 years of expertise to his role, Eng. Ahmed Ali Alammadi, was appointed as Chief Executive Officer of Diyar Al Muharraq in August 2019 following his position as Head of Investments & Asset Management of Diyar Al Muharraq, which he held for approximately four years. Eng. Ahmed's diverse experience has enabled him to establish a unique strategic vision to propel Diyar Al Muharraq's development goals. He boasts vast knowledge in strategic evaluation of the real estate market on both local and global levels, as well as risk mitigation from a financial real estate perspective; having worked in various roles ranging from investor relations and advisory, asset management, to retail real estate development. Eng. Ahmed Ali Alammadi holds a BSc in Engineering from King Abdulaziz University and a Master's Degree from Universidad de Granada in Spain.

Takeaway

This article takes an analytical deep-dive into how the ongoing COVID-19 pandemic has affected entire economies, communities, and people; and how it has forced the world at large to realize the need to shift our current way of working and living in order to realign our daily actions and decisions to contribute to a healthier, more sustainable future. It brings to light the role of real estate developers, of corporate entities, as well as individuals, in more proactively considering future societies and future cities for communities and generations to come, which will ultimately contribute to a healthier economic future by allowing increased opportunities for business growth.

CONTRIBUTORS



**Jithin Rahman
Kunnummal**
Property Manager
Booya Properties

Background

Jithin began his career in the real estate industry in 2010. He has held key positions in the Kingdom of Bahrain and the United Kingdom in the property industry, including sales and rental manager and as a property manager. Jithin holds a degree in Business Administration and a diploma in Computer Engineering.

Takeaway

This topic is important as it garners attention from prospective clients for current market scenarios, in addition to highlighting the importance of the role that real estate agents play in today's property market.



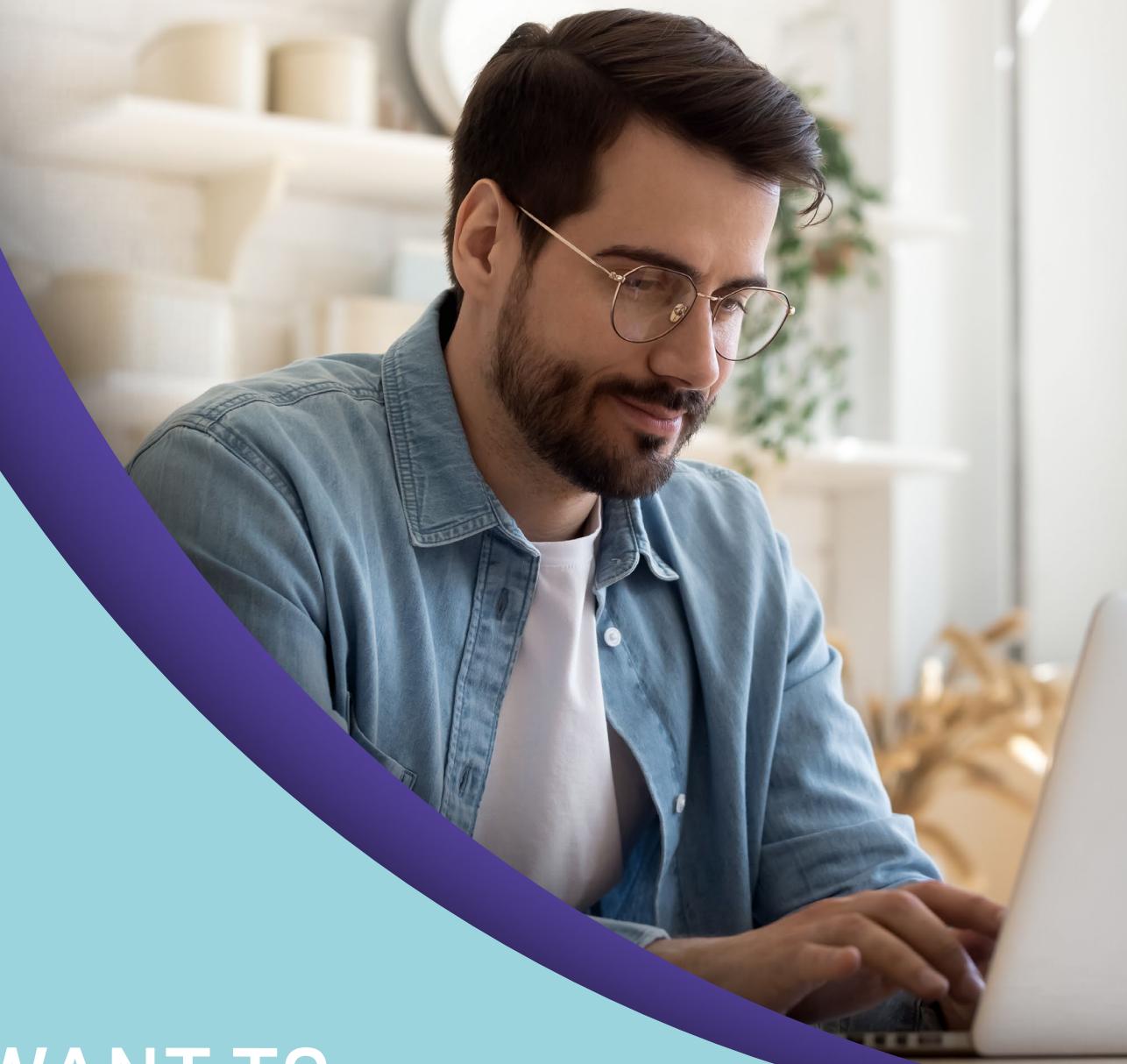
Bader Nass
Managing Director
InfoReal Estate WLL

Background

Bader has a Bachelor's Degree in Commerce from Washington DC. He comes from a business family background in contracting, which has catered to a number of major projects and the infrastructure of the newly developed Bahrain. He has over 30 years of experience in commerce trading and property development.

Takeaway

The field we are currently exploring is the reasoning behind some of the stagnation that the real estate market is witnessing. We have been able to pinpoint some of the reasons, and hopefully, will be on the right track to a more fruitful future of real estate in Bahrain.



WANT TO
CONTRIBUTE TO
PROPERTY FINDER
TRENDS?

Email Sara*

*sara@propertyfinder.bh

PROPERTY TRENDS

1 MARKET HIGHLIGHTS - page 9

2 PRICE ANALYSIS - page 11

3 MARKET ANALYSIS -
SEARCHES/LISTINGS - page 17

MARKET HIGHLIGHTS

Here is a roundup of some of the most exciting upcoming projects that are taking the country to new heights.



AL LIWAN

Nestled within the neighborhoods of Hamala in Bahrain, Al Liwan is designed as an outdoor mixed-use development, making it more of an urban development project with public landscaped spaces. Surrounded by residential developments, schools and adjacent to transport links, Al Liwan will act as a focal point to the surrounding area for shopping, meeting and relaxing. A main boulevard runs through the site connecting various uses of retail, restaurants, coffee shops and entertainment. The heart of the project is the Central Plaza, a spacious courtyard linked to all points of the development and designed for public gatherings and entertainment.



ONYX BAHRAIN BAY

Offering a unique upscale residential experience, Onyx Bahrain Bay consists of approximately 42 floors encompassing 400 freehold residential apartments. Characterized by the finest quality standards, the luxury units range from one to four bedroom apartments, as well as a SkyVilla. The Penthouses extend on two floors with a total built-up area of 650 square meters, including an external garden with a large private outdoor area and a private swimming pool with panoramic views of Manama and the Bahrain Bay sea skyline. Onyx Bahrain Bay will be located in Tower A, while Tower B will include hotel apartments.

PARAMOUNT RESIDENCES AND WATERBAY RESIDENCE BY ROBERTO CAVALLI

The Waterbay project located in the heart of Bahrain Bay is the definition of luxury. The development features three distinct 10-storey residences overlooking the striking views of the sea and Bahrain landmarks. The western tower of Waterbay is the Paramount Residences, which is being developed and managed by the international hotel chain, and will reflect Hollywood glamour and luxury. The Waterbay Middle features a luxurious classic interior with a unique blend of architectural splendor. The eastern tower is branded as Waterbay Residence by Roberto Cavalli. It will feature signature Italian interiors designed by Roberto Cavalli, which will create a glamorous and vibrant atmosphere for the residents to relax and enjoy living in style with comfort.



AL NASEEM

The luxurious waterfront oasis is situated in the heart of Diyar Al Muharraq. A fusion of innovation, and a pioneer of integrated modern living, Al Naseem is an independent gated residential community, one of the key attractions of this project is that it provides its residents with an unmatched lifestyle of extravagance and tranquillity. Al Naseem comprises two key zones: a gated community and a non-gated community. The first zone is one of Diyar Al Muharraq's first gated residential communities encompassing more than 300 canal front villas, 500 residential apartments in individually designed buildings and excellent community and leisure facilities. The second zone will house an additional 500 apartments in exquisitely designed buildings, adjoining to 10,000 sqm of convenience retail, leisure and entertainment facilities with an integrated pedestrian-friendly retail promenade and a 100-berth Marina.



PROPERTY TRENDS



Sara Assad
Marketing
Manager

THE CONTEXT

Fluctuation is the term to be used to describe real estate prices in 2020. With so many factors affecting the industry, it was very difficult for prices to see a stable trend, across all markets and sectors. The impact of COVID-19 stands at the pinnacle of these price shifts, as the entire world struggled to find normalcy in such difficult and unprecedented times. Economies worldwide have been affected, with the real estate industry witnessing the same. However, with the Bahrain government offering a \$11.4bn stimulus package to help alleviate the impact of the pandemic, the response was quick and rapid, which softened the blow to a certain extent. In addition, 2020 saw the rise of financial technology in the kingdom of Bahrain, which was also supported by the government, and should help stabilize the market in the coming few years.

The same trend that we have witnessed and reported on over the past three years continued into 2020, with tenants looking to find more affordable units, since the introduction of VAT, and now, an increase in utility prices has also played a role in this same pattern. With the financial impact of COVID-19, this has also been the case this year, and has created a shift in prices across the Kingdom. According to advertised prices on our site, a decrease in rental unit prices was recorded across all governorates, with the exception of the Capital Governorate, which witnessed a price increase of 16 percent in average price for rental units when comparing 2019 with 2020. The real estate market has been affected, as with all others sectors, by restrictions caused by the pandemic, and we can clearly see that there has been a major impact on price for the rental market. A 40 per cent increase in the number of units available on our site in the Capital Governorate could possibly be the reason for the increase in prices, as newly available stock may have driven up the average price in the area. The strains of the pandemic also affected the sale market in Bahrain, as prices dropped across all four governorates, when comparing 2019 with 2020, with the highest decrease recorded in Muharraq, at 16 percent.

Bahrain was already on its way to becoming a more mature and transparent buyer's market, as opposed to a market that is focused heavily on rentals. One of the patterns that has been reported in 2020 is an increased interest in the sales sector. More often than not, downward price trends usually attract first time buyers, as prices become more affordable and within reach for first time investors. With the causeway closed off, and external investment not an option, purchasers within Bahrain were able to take advantage of this downward price trajectory, with some securing their first real estate investment in Bahrain.

Overall, 2021 will be a year where economies will return to growth, especially as Bahrain resumes normal operations once again. With a calmer political situation in the region, and a clearer idea of the pandemic and the direction it is taking, investment in Bahrain is expected to grow, on both the residential and commercial segments.

PROPERTIES FOR RENT APARTMENTS

We can clearly see that there has been an overall downward price trend in apartment rental prices when comparing 2019 and 2020, which does not come as a surprise, given the overall market status.

However, the market continues to record transactions, with tenants looking for more affordable units, while others, seizing the opportunity of decreasing prices, are able to look for larger more affluent accommodations.

In the case of Dilmunia Island, advertised monthly prices dropped from BHD500 to BHD450, as the two major projects in the development needed a shift in price strategy in order to keep demand alive.

With Juffair (an area very popular with expats and navy personnel) closed off to newcomers, a drop from BHD550 to BHD500 was also recorded, as owners and landlords try to cope with the effects of the pandemic, and try to lure in new tenants locally.

Interestingly enough, an increase in price was recorded in Riffa Al Sharqi, which could be due to a number of reasons, most likely to the fact that new units were handed over in the area, which increased advertised prices from BHD260 to BHD280 between 2019 and 2020.

Apartments for rent: Median Monthly Rental Price			
Community	2020	2019	% difference
Adliya	400	440	-9.1%
Al Hidd	350	375	-6.7%
Amwaj Avenue	500	550	-9.1%
Amwaj Islands	500	500	0%
Amwaj Marina	500	550	-9.1%
Busaiteen	350	360	-2.8%
Dilmunia Island	450	500	-10%

Apartments for rent: Median Monthly Rental Price

Community	2020	2019	% difference
Exhibition Road	350	380	-7.9%
Hamala	670	700	-4.3%
Hoora	350	350	0%
Janabiya	450	450	0%
Juffair	500	550	-9.1%
Mahooz	450	475	-5.3%
Reef Island	890	950	-6.3%
Riffa Al Sharqi	280	260	7.7%
Saar	425	450	-5.6%
Seef	550	600	-8.3%
Tala Island	550	570	-3.5%
The Lagoon	550	600	-8.3%
Tubli	300	325	-7.7%
Um Al Hasam	450	500	-10%
Zinj	400	450	-11.1%

In Zinj, one of the older neighbourhoods in Bahrain, price strategies needed to be revisited, in order to keep demand in the area, and to entice renters to remain occupying these units.

Villas for rent: Median Monthly Rental Price

Community	2020	2019	% difference
Adliya	950	1,000	-5%
Al Hidd	900	900	0%
Al Jasra	1,400	1,400	0%
Amwaj Avenue	1,250	1,300	-3.8%
Amwaj Islands	1,300	1,400	-7.1%
Amwaj Marina	1,250	1,300	-3.8%
Barbar	820	800	2.5%
Budaiya	650	900	-27.8%
Busaiteen	900	900	0%
Diyar Al Muharraq	750	750	0%
Durrat Al Bahrain	1,400	1,450	-3.4%
Galali	900	850	5.9%
Hamala	1,200	1,300	-7.7%
Janabiya	950	1,000	-5%
Jannusan	900	1,300	-30.8%
Juffair	1,100	1,200	-8.3%
Mahooz	1,000	1,000	0%
Riffa	800	875	-8.6%
Saar	900	1,000	-10%
Sanad	600	650	-7.7%
Tala Island	1,600	1,600	0%
Tubli	1,000	1,000	0%
Um Al Hasam	1,000	1,000	0%
Zinj	850	1,000	-15%

PROPERTIES FOR RENT VILLAS

The villa rental sector also recorded a general downward price trajectory when comparing 2019 and 2020. Villas in Bahrain are becoming more popular, but when compared to the number of apartments available, supply of villas remains lower in comparasion, which is why price fluctuations are more on the stable side.

Here, we see the effects of the pandemic play a major role in price drops. A high number of expats and nationals commute to KSA and live in areas surrounding the causeway. With it being closed, the areas offering villas around the highway were highly affected in terms of advertised prices, such as Budaiya, which recorded a price decrease from BHD900 to BHD650 when comparing 2019 and 2020. The same can be said about Jannusan, with advertised prices dropping from BHD1,300 to BHD900 in the same time frame.

PROPERTIES FOR SALE APARTMENTS

According to reports, approximately 7,500 freehold apartments are expected to be handed over in Bahrain over the next five years, further increasing supply in the Kingdom. Interest in freehold apartments is increasing, and as RERA continues to play a role in regulating prices and sales processes, we can see that the shift in prices continues. Of course, this is in addition to the effects of COVID-19, which has also put a strain on unit prices. However, prices for the sale market prior to the pandemic were also fluctuating, as the market continues to seek a more transparent and mature pricing strategy.

Buyers who had the means to invest during 2020, were eager to take advantage of decreased prices in the market, with first time buyers also jumping on the wagon. In order to keep the sale market active, and to attract investment opportunities, prices in key sale locations, such as Durrat Marina and Reef Island dropped, from BHD783 to BHD709 per SQFT and BHD1,010 to BHD901 per SQFT, respectively between 2019 and 2020.

Apartments for sale: Median Sales Price Per SQFT			
Community	2020	2019	% difference
Al Hidd	471	505	-6.8%
Amwaj Islands	640	673	-4.9%
Bahrain Bay	1,345	1,411	-4.7%
Busaiteen	752	734	2.4%
Dilmunia Island	685	688	-0.5%
Diyar Al Muharraq	1,169	1,222	-4.3%
Durrat Marina	709	783	-9.5%
Hoora	754	741	1.8%
Janabiya	489	483	1.1%
Juffair	682	733	-7%
Manama	789	787	0.2%
Reef Island	901	1,010	-10.7%
Riffa	417	453	-8.1%
Saar	500	503	-0.6%
Seef	833	897	-7.1%

PROPERTIES FOR SALE VILLAS

The market for freehold villas is starting to gain traction in Bahrain, as more and more developments attract buyers interest, with a number of off-plan transactions also taking place. However, buyers are now looking for the most affordable offer in terms of investing in the market, and as well, some have reported difficulties with loans, which has dictated the decrease in prices, in addition the effects of COVID-19 on the market overall. Sale units in Riffa are known for being affluent and come with a higher price tag, which explains the decrease from BHD657 per SQFT to BHD544 per SQFT between 2019 and 2020.

In addition, as newer developments near completion and become ready for handover, developments and units in areas such as Sadaq, for example, had to revise their pricing strategy, in order to continue attracting buyers, as recorded prices dropped from BHD494 per SQFT to BHD451 per SQFT between 2019 and 2020.

Villas for sale: Median Sales Price Per SQFT			
Community	2020	2019	% difference
Al Hidd	617	654	-5.6%
Amwaj Islands	675	700	-3.6%
Bu Quwah	500	584	-14.4%
Budaiya	590	526	12.1%
Busaiteen	625	705	-11.3%
Diyar Al Muharraq	627	594	5.4%
Durrat Al Bahrain	421	427	-1.3%
Galali	621	665	-6.7%
Hamad Town	439	441	-0.6%
Hamala	600	460	30.3%
Janabiya	554	563	-1.6%
Riffa	544	657	-17.1%
Saar	586	561	4.4%
Saad	451	494	-8.6%
Sanad	587	519	13%
Tubli	548	575	-4.7%

- Rental prices are based on the median monthly rental prices displayed on Property Finder.

- Sale prices are based on the median price per sqft displayed on Property Finder.

- The data is based on the advertised prices on propertyfinder.bh and may not reflect the actual transacted price.

Sources:

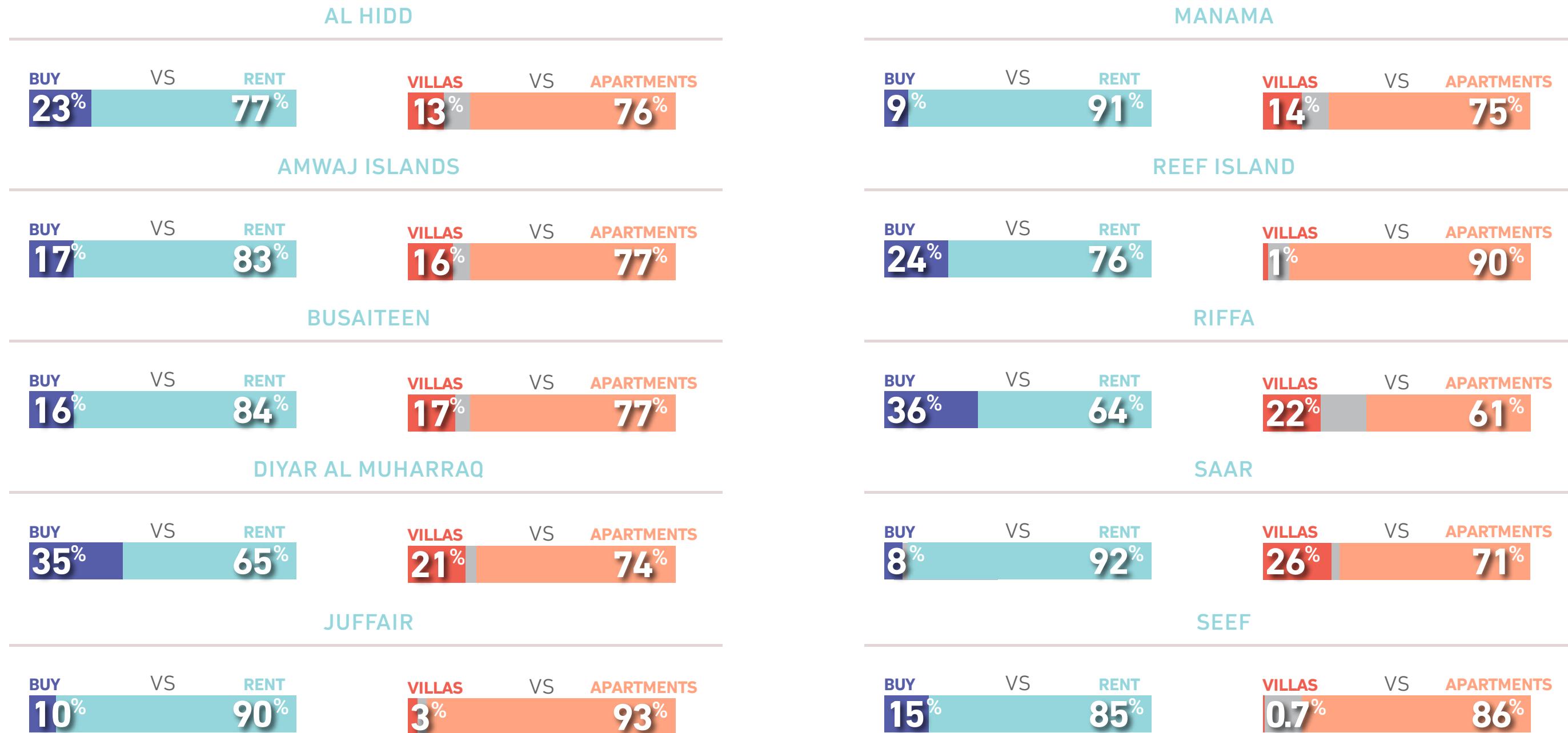
- Cavendish Maxwell

- Savills

-The Economic Development Board of Bahrain

MARKET ANALYSIS - LISTINGS

Take an in-depth look at the top performing areas in Bahrain, highlighting the percentage of **listings** by rent and sale, for villas and apartments.



Based on the number of listings on propertyfinder.bh between January - December 2020

MARKET ANALYSIS - SEARCHES

Take an in-depth look at the top performing areas in Bahrain, highlighting the percentage of **searches** by rent and sale, for villas and apartments.

MANAMA



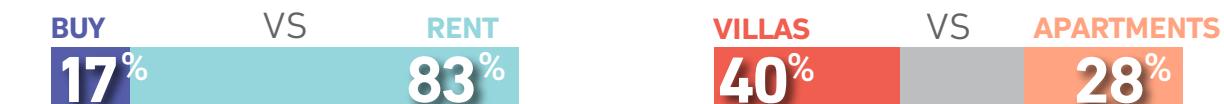
RIFFA



AMWAJ ISLANDS



JANABIYA



JUFFAIR



DIYAR AL MUHARRAQ



SAAR



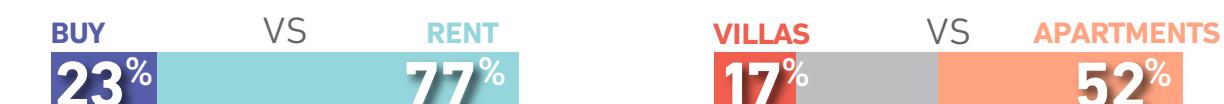
REEF ISLAND



SEEF

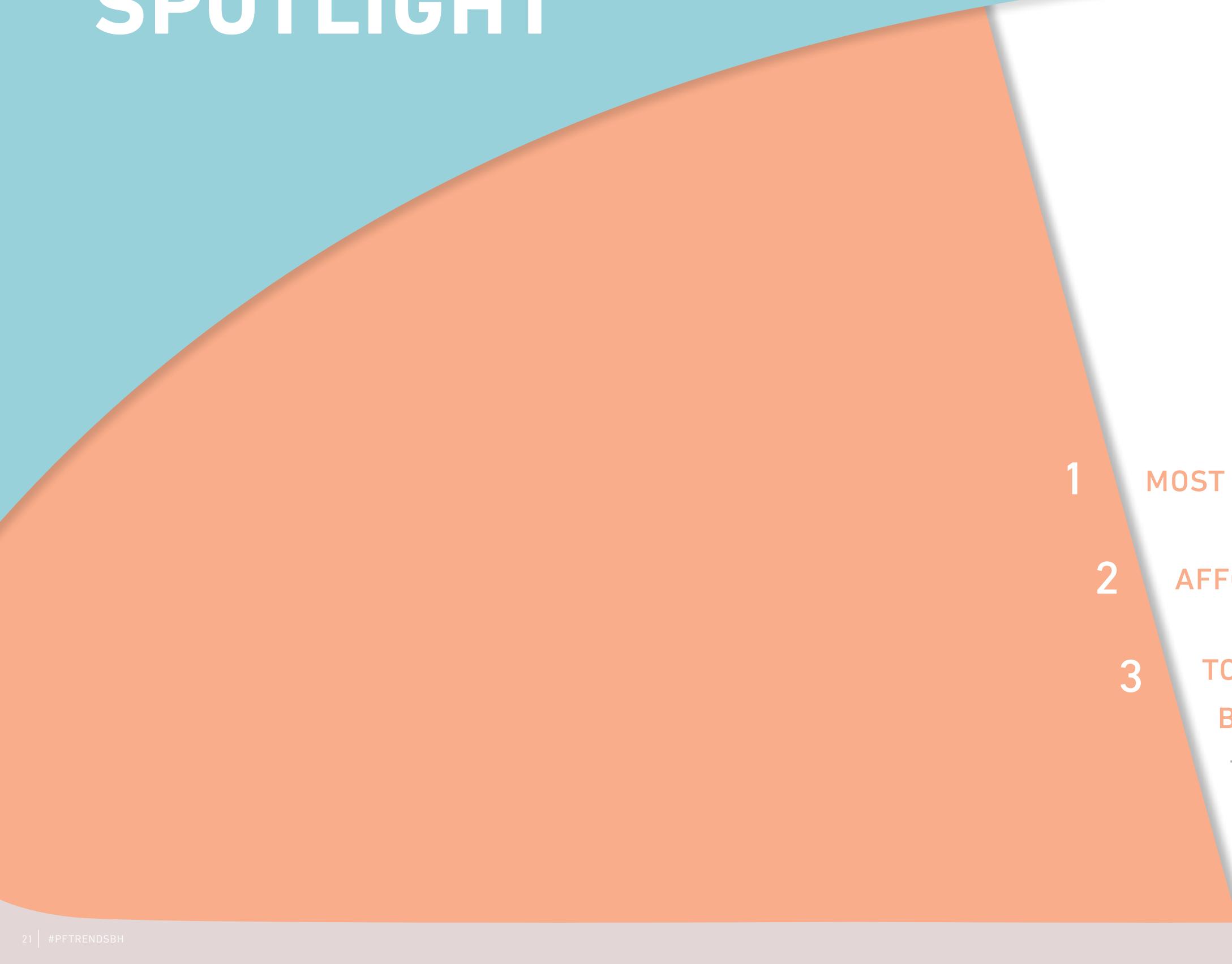


BUSAITEEN



Based on the number of listings and searches made on propertyfinder.bh between January - December 2020

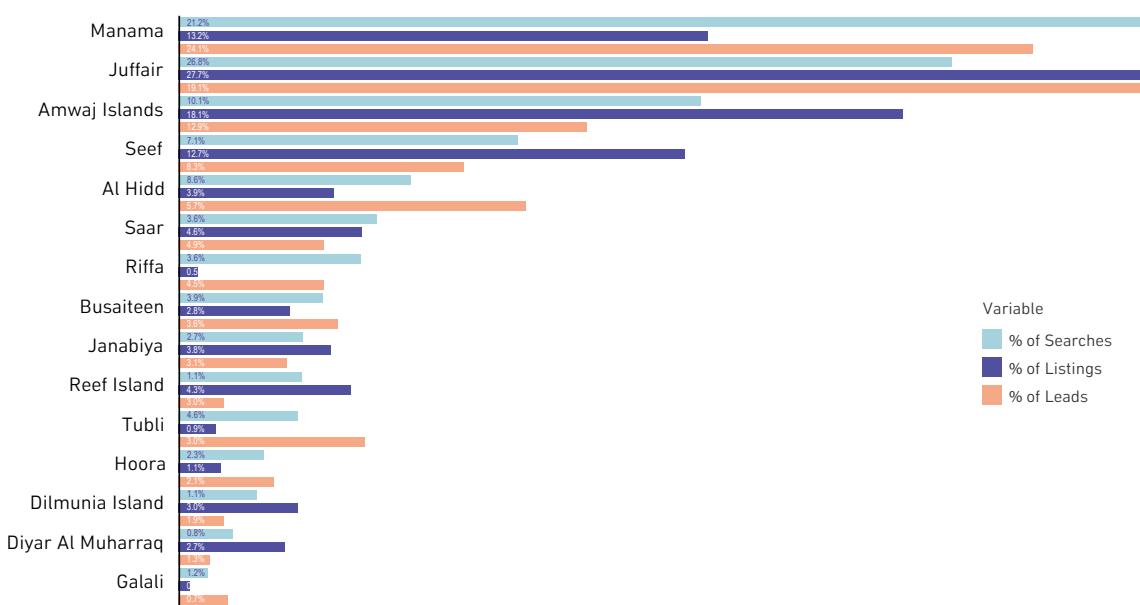
COMMUNITY SPOTLIGHT

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- 1 **MOST POPULAR AREAS** - page 23
 - 2 **AFFORDABLE SNIPPETS** - page 27
 - 3 **TOP 10 SEARCHED COMMUNITIES BY NUMBER OF BEDROOMS**
- page 28

MOST POPULAR AREAS

In order to rank the most popular places to live, we've listed the top communities based on the percentage of leads, listings and searches on Property Finder.

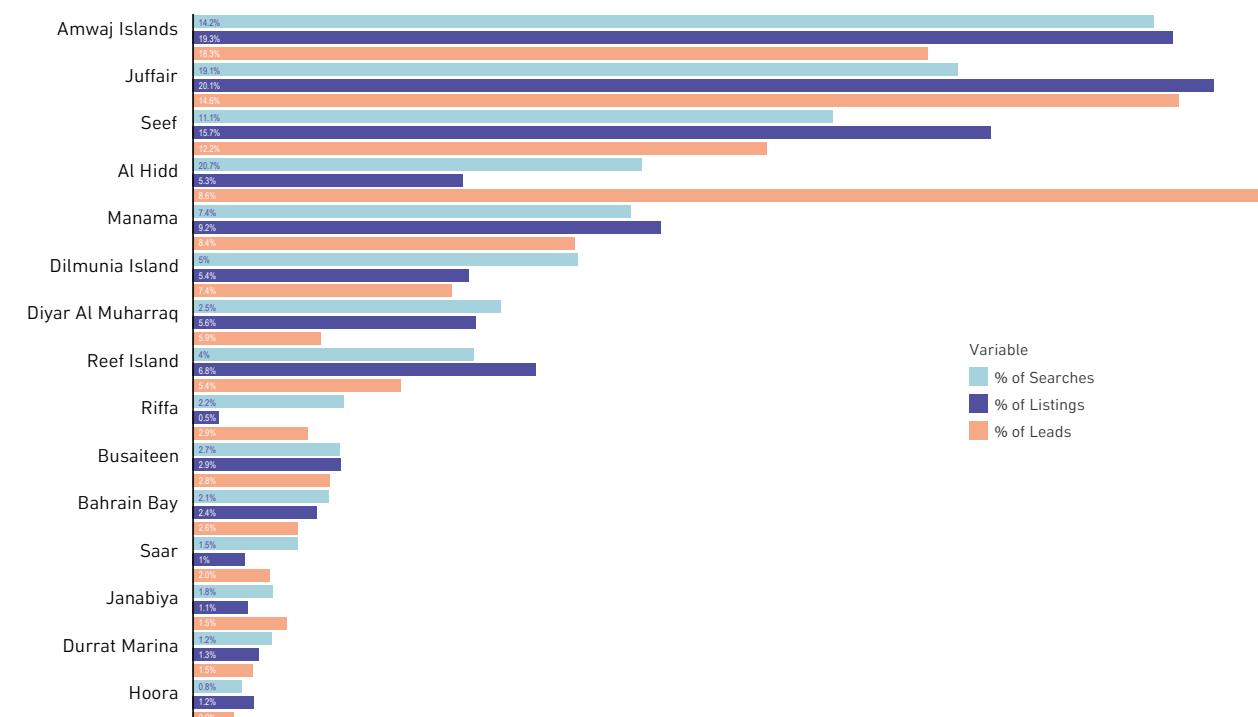
APARTMENTS FOR RENT



Variable
% of Searches
% of Listings
% of Leads

MOST POPULAR AREAS

APARTMENTS FOR SALE



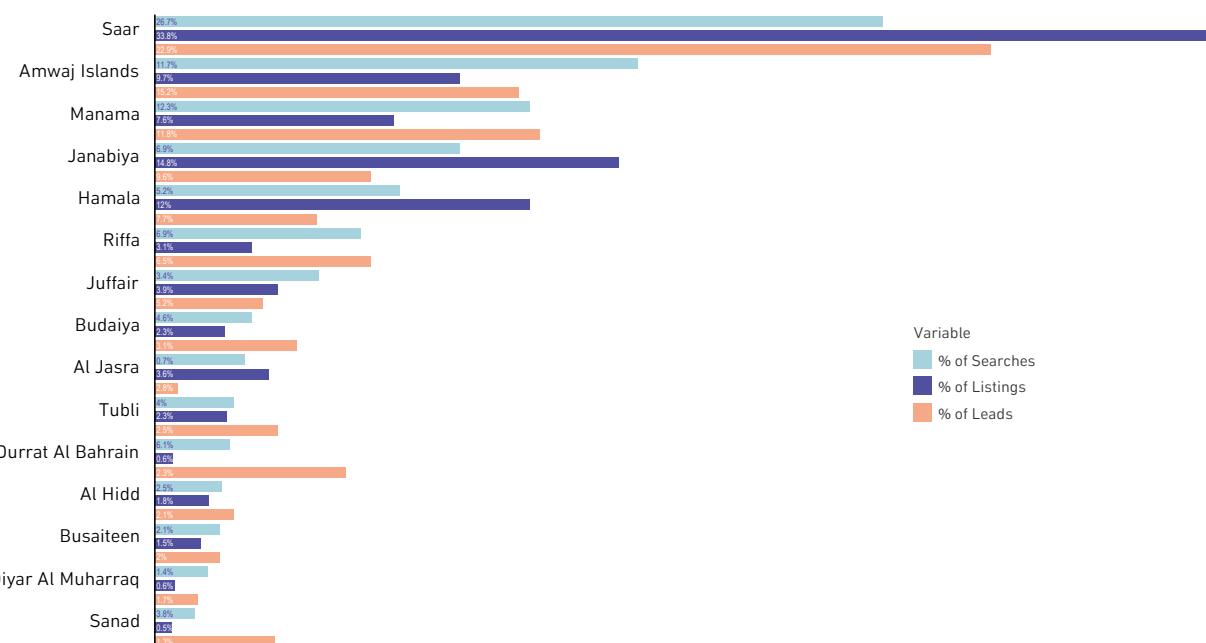
Variable
% of Searches
% of Listings
% of Leads



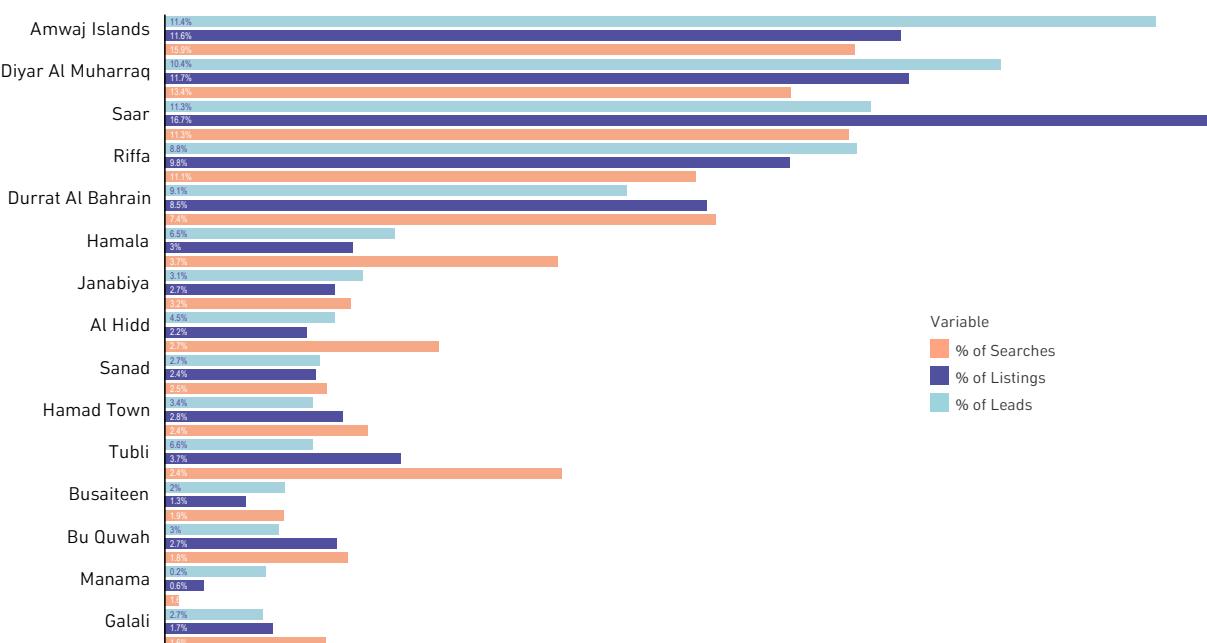
MOST POPULAR AREAS

MOST POPULAR AREAS

VILLAS FOR RENT



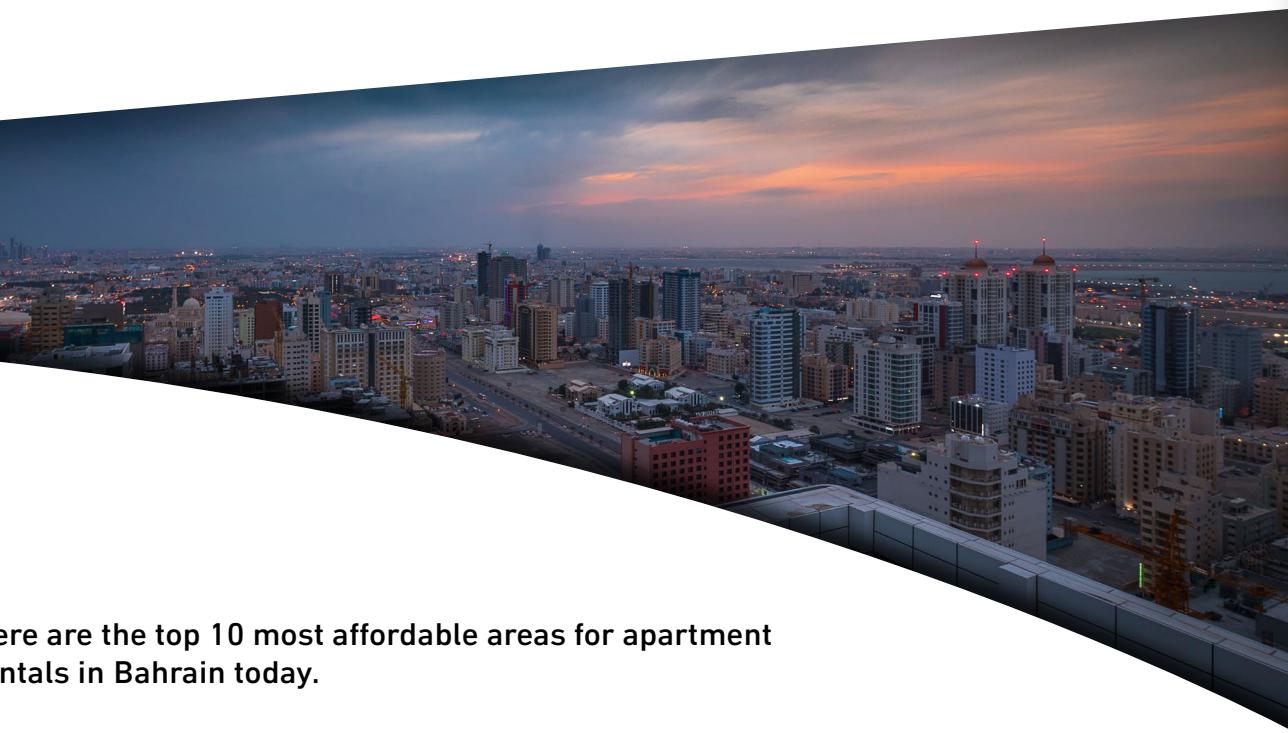
Variable
█ % of Searches
█ % of Listings
█ % of Leads



Variable
█ % of Searches
█ % of Listings
█ % of Leads



AFFORDABLE SNIPPETS



Here are the top 10 most affordable areas for apartment rentals in Bahrain today.

Apartments for rent (monthly rate)

1 Salmaniya

Average price
BHD 355

2 Al Burhama

Average price
BHD 346

3 Bu Ghazal

Average price
BHD 344

4 Bu Kowarah

Average price
BHD 330

5 Gufool

Average price
BHD 310

6 Riffa Al Sharqi

Average price
BHD 300

7 Gudaibiya

Average price
BHD 299

8 West Riffa

Average price
BHD 298

9 Manama Downtown

Average price
BHD 292

10 Ras Rumman

Average price
BHD 229

TOP-SEARCHED COMMUNITIES BY NUMBER OF BEDROOMS

Take a look at the top-searched communities for studios, one-bedroom, two-bedroom, three-bedroom, four-bedroom and five-bedroom properties in Bahrain.

Studio:

1. Juffair

2. Manama

3. Seef

4. Amwaj Islands

5. Busaiteen

6. Saar

7. Al Hidd

8. Janabiya

9. Tubli

10. Dilmunia Island



One-bedroom:

1. Juffair

2. Manama

3. Amwaj Islands

4. Seef

5. Al Hidd

6. Saar

7. Dilmunia Island

8. Reef Island

9. Busaiteen

10. Janabiya



Data is based on average advertised prices on propertyfinder.bh and may not reflect the actual transacted price.

TOP-SEARCHED COMMUNITIES BY NUMBER OF BEDROOMS

Two-bedroom:

- 1. Manama**
- 2. Juffair**
- 3. Amwaj Islands**
- 4. Seef**
- 5. Saar**
- 6. Reef Island**
- 7. Al Hidd**
- 8. Janabiya**
- 9. Riffa**
- 10. Diyar Al Muharraq**



Four-bedroom:

- 1. Saar**
- 2. Amwaj Islands**
- 3. Manama**
- 4. Janabiya**
- 5. Hamala**
- 6. Riffa**
- 7. Diyar Al Muharraq**
- 8. Hidd**
- 9. Al Juffair**
- 10. Al Jasra**



Three-bedroom:

- 1. Manama**
- 2. Amwaj Islands**
- 3. Juffair**
- 4. Saar**
- 5. Janabiya**
- 6. Seef**
- 7. Al Hidd**
- 8. Reef Island**
- 9. Hamala**
- 10. Riffa**

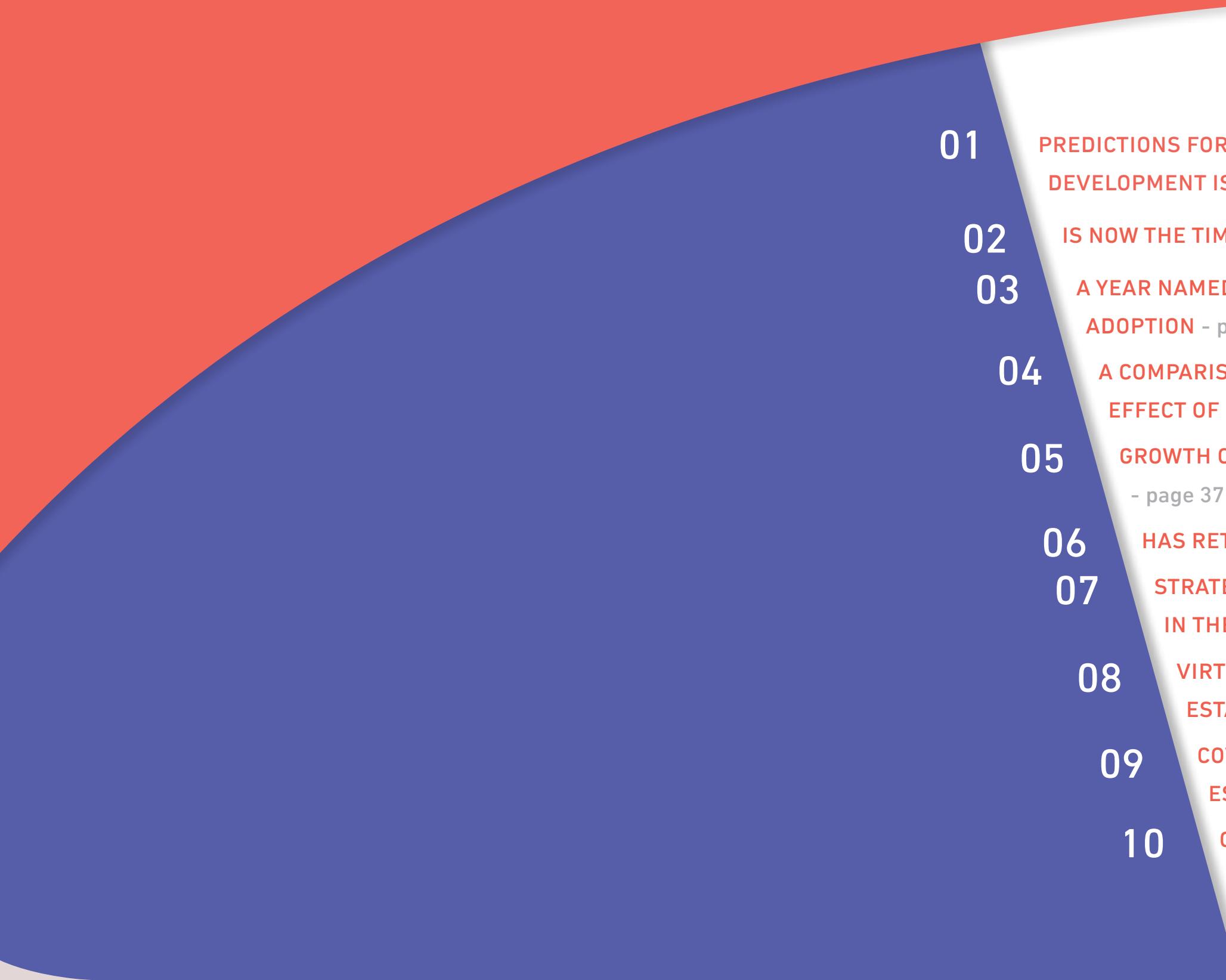


Five-bedroom:

- 1. Saar**
- 2. Riffa**
- 3. Amwaj Islands**
- 4. Manama**
- 5. Janabiya**
- 6. Diyar Al Muharraq**
- 7. Hamala**
- 8. Durrat Al Bahrain**
- 9. Hidd**
- 10. Al Jasra**

Based on the number of searches on propertyfinder.bh from January - December 2020

CONTRIBUTORS

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- 01 PREDICTIONS FOR 2021: WHY SUSTAINABLE REAL ESTATE DEVELOPMENT IS THE NEW NORMAL - page 37
 - 02 IS NOW THE TIME TO INVEST? - page 37
 - 03 A YEAR NAMED 2020: THE YEAR OF “REALTY DIGITIZATION” ADOPTION - page 37
 - 04 A COMPARISON BETWEEN THE 2008 RECESSION AND THE EFFECT OF COVID-19 ON THE REAL ESTATE MARKET - page 37
 - 05 GROWTH OF ONLINE REAL ESTATE SERVICES: DIGITIZATION - page 37
 - 06 HAS RETAIL CHANGED FOREVER? - page 37
 - 07 STRATEGIC WAYS TO BUILD-UP A REAL ESTATE COMPANY IN THE MIDST OF A GLOBAL CRISIS - page 37
 - 08 VIRTUAL VIEWINGS OFFER HOPE TO BAHRAIN’S REAL ESTATE MARKET - page 37
 - 09 COVID-19 AND EVOLVING PERSPECTIVES IN REAL ESTATE - page 37
 - 10 GOOD PROPERTIES NEVER STAY VACANT... DON’T BLAME COVID-19 - page 37

PREDICTIONS FOR 2021: WHY SUSTAINABLE REAL ESTATE DEVELOPMENT IS THE NEW NORMAL

The ongoing COVID-19 pandemic shook the world economy at large, leaving serious consequences in its wake that impacted both economic sectors and individuals alike - almost paralyzing societies across the globe.

Following the months after the pandemic first hit, leaders and decision makers around the globe soon realized the sheer level of uncertainty that came with COVID-19, which posed serious challenges in deliberations in considering the best way forward. Should they plan to gradually go back to the 'normal' we all knew, or accept that what came to be known as the "the new normal" was here to stay?

Although there is always a middle ground, combined with the fact that different industries were impacted in varying degrees, the common sense of alignment that emerged was the need to support their strategies for a healthier and more sustainable future.

It forced leaders to realize what it truly means to be sustainable, and how sustainable development should be a top priority. Essentially, self-reliance, and efficient use of resources in all sectors, including urbanization, agriculture, infrastructure, energy use, water availability, and transportation are to be reassessed to ensure sustainability for future generations.

Moreover, the importance of investing in the requisite procedures and considerations to ensure local communities were provided with the minimum requirements to sustain similar situations in the future and maintain their standard of living became a 'non-negotiable' consideration in planning future strategies, even though it might not be financially feasible.

When considering real estate development, sustainability and design is widely accepted as a good initiative in theory, but what is often overlooked is the necessity and urgency to implement sustainable practices on a macro level, from the early stages of a development. It is still essential that we plan our way out of the pandemic – reorienting towards a sustainable development strategy that prioritizes quality of life for generations to come.



Eng. Ahmed Ali Alammadi
Chief Executive Officer
Diyar Al Muharraq W.L.L.

« When considering real estate development, sustainability and design is widely accepted as a good initiative in theory. »

Defined by the Brundtland Commission as; "Development that meets the needs of the present without compromising the ability of future generations to meet their own needs", sustainable development is measured across three main objectives that need to work in synergy; economic growth, environmental protection and social inclusion. The most effective way to do this is to shift to a more holistic approach to development, focusing on ideas and solutions that are both sustainable and all-inclusive, facilitating the necessary shift.

In addition to efforts to reduce carbon footprint, real estate developers are the main players in urban development and city planning. Creating lifestyle hubs and communities that cater to many needs is one-way developers can contribute to a healthier economic future. Building residential communities that also allow opportunity for business growth as well as providing entertainment facilities is just one approach.

When it came to the planning of Diyar Al Muharraq, the approach in developing the masterplan was to create an integrated city that met the needs of its inhabitants holistically, encouraging close-knit community living because of how the spaces were designed. Beyond this, when it came to the masterplan, it was carefully integrated additional sustainable measures wherever possible, to reduce carbon footprint, whether it was promoting cycling and walking over the use of cars; or seeking out advisers to conduct an Environmental Management plan, to better understand how to integrate sustainable measures into the planning process. From there, the LED lighting was introduced, and solar power was used for the entire irrigation network. As real estate developers have great impact on the future of sustainability it is imperative to present living solutions that benefit society for generations to come, without compromising the environment, and always considering the long-term effects of our plans.

IS NOW THE TIME TO INVEST?

The Bahrain real estate market is recovering fairly from the pits of the COVID-19 crisis. The market has improved from the drop of 2020, however, according to our studies, residential units have slipped 15% or more in rental prices.

We recommend that this is the time to invest in the Bahrain property market to buy properties at the best rates ever. The final choice for investors looking to buy is deciding between ready units or off-plan units, with the latter option, buying through a developer, being somewhat more beneficial in terms of payment plans. Purchasing ready units from the secondary market will result in a comprehensive price and will allow the property to be rented immediately.

Negotiating a property can be as simple as buying groceries or as complicated as buying a vehicle. Apparently it's simpler if you are dealing with individual landlords who are more flexible or developers whose policies do not allow for negotiations.

The first step in property negotiations, contact estate agents regarding properties that you are interested in and ask for proposals. After receiving several different options, you should have an idea of the terms and prices, and you may find it desirable to engage an estate agent to negotiate the property for you, if you feel overwhelmed by the task or, if you're not a particularly good negotiator. Locating at least two properties that meet your need will result in a bit of competition for your property. After you receive the proposals from the estate agents or developers, don't let them pressure you into signing a contract prematurely.

You should have an attorney to review your property if you are planning to buy. But don't let him or her make decisions for you. Attorneys are hired to point out property risks, and they may be overly cautious so that you don't blame them for failing to warn you properly. Listen to the attorney's advice, but make your own decisions.

Include these notes in your proposal. You're unlikely to succeed with them all, but it will establish a good position from which to negotiate and help you evaluate the willingness of the landlords to engage



Jithin Rahman Kunnummal
Property Manager
Booya Properties

« Negotiating a property can be as simple as buying groceries or as complicated as buying a vehicle. »

in meaningful negotiations. Make sure the landlords are aware that you're negotiating with other parties as well.

After you feel you have gotten the answer for all the concerns, choose the one that is to your best advantage and finalize the terms.



A YEAR NAMED 2020: THE YEAR OF “REALTY DIGITIZATION” ADOPTION

It started like any other year, full of new resolutions, hopes and promises. As businesses set out to prepare their annual strategies, plans and goals, something monumental was stirring in China that would soon blow out of proportion. The Novel Coronavirus took the world by storm that led to a snowball effect of extraordinary, overwhelming and unprecedented challenges. It shook the foundation of governments, healthcare systems, communities, businesses, and rightfully so, received the term “global pandemic”.

The very unprecedented nature of this crisis led to several ground-breaking innovations worldwide that were not only health-appropriate but also empowered business sustainability, anything to prevent hitting rock-bottom. After all, necessity is the mother of all inventions.

Adapting to the circumstances while prioritizing the safety, comfort and convenience of a client and yourself is of utmost importance. Convincing and ensuring the health and well-being of our clients must be top priority and more so during the pandemic. Following the required steps issued by the ministry officials to ensure the safety of our clients and colleagues is key. Our goal should be to provide “Safe, Smart, Secure” real estate services. Spontaneously adapting to smart communication methods that are not only appropriate but effective for all is the key here.

At Pegasus, we adapted to the different phases of this pandemic with dexterity and emerged as more self-reliant, stronger and innovative than before. Now in 2021, we are serving our clients dedicatedly with more vigour and custom-made solutions. As times have changed, so has the real estate market, its sensitivity and volatility. As a key player in the real estate arena in the Kingdom of Bahrain, we have adapted well to these changes and tailored our services to fit the need of the hour. If 2020 has taught us anything, it is the virtue of “adaptability”. We have enhanced and improved certain services within our scope, mainly, property management services (PMS) and delivered exceptional results, all thanks to the patience, support and due diligence of our colleagues and associates. We sent regular market updates to our clients to keep them well



Aziz Mithaiwala
Managing Director
Pegasus Real Estate

« At Pegasus, we adapted to the different phases of this pandemic with dexterity and emerged as more self-reliant, stronger and innovative than before. »

informed and guided them to make the right real estate decision given the market condition.

Here are some smart, socially-distant and digital friendly steps we started and are continuing while serving our patrons through this crisis:

- Real-time apartment show-around
- 3D property uploads
- Digital promotion of property on social media channels
- Skype / Zoom meeting set-ups
- Sharing inventory updates through WhatsApp
- Door-to-door documentation processing
- Deep cleaning & sanitization

The adoption of the above means, led us to believe how ready prospective clients were to accept and take a decision based on the newer technologies being used to convince them to move forward. Again, this is a must for all real-estate professionals as we still face a rollercoaster situation with the Novel virus.

In Bahrain in particular many of the professional real estate agencies are dependent on across the border business transactions. Since the access to visitors and potential investors from the Kingdom of Saudi Arabia is still restricted, digital technologies as mentioned play a key role and must be used to keep the interest of investment ongoing.

I'm sure in our part of the world there's still much to explore with the technologies available to us and we must look to pursue these with commitment and decide on what works best towards meeting the requirements of our prospects and clients.

A COMPARISON BETWEEN THE 2008 RECESSION AND THE EFFECT OF COVID-19 ON THE REAL ESTATE MARKET

The 2008 financial crisis which heavily affected the real estate market and the current crisis from Covid-19 pandemic are very different.

Twelve years ago, in 2008, The Great Recession led to some of the highest recorded rates of unemployment and home foreclosures due to a crisis in subprime mortgage-backed securities, which spread to mutual funds, pensions, and the corporations that owned these securities, with widespread global impacts. In all, the Great Recession of 2008 led to a loss of more than \$2 trillion in global economic growth.

In 2008, due to subprime mortgages, artificial demand in housing was created, meaning an oversupply of housing units. As an example, in Miami by 2008, there were 48,000 new units coming into the real estate market, while the actual demand per year was approximately 8000 units only.

Therefore, the real estate market needed five to six years to absorb the 48,000 units. However, during the Covid-19 pandemic we have slowed down the real estate developments and as a result the effect is on the contrary to 2008 recession.

I would like to emphasize that compared to the 2008 recession the losses of equity in the market is much less. There is equity in the market as we speak now, in fact, stock markets and bank equities are very healthy.

Due to travel restrictions and reduced entertainment outlets, individuals, with the exception of the hospitality, travel, and retail sectors, have more equity than prior to the pandemic. At Orchid Developers, we are managing over 1,500 units in the Kingdom of Bahrain, and our records in rental show a slight reduction in rental during the pandemic. The sale market has been somewhat stalled since September of 2020.

We believe that the rental market will be steady and sales will be somewhat slower, not because of shortness of equity, but simply as a result of the psychological effect of uncertainty due to Covid-19 .



Dr. Bashar Ahmadi
CEO
Orchid Developers

« Due to travel restrictions and reduced entertainment outlets, individuals, with the exception of the hospitality, travel, and retail sectors, have more equity than prior to the pandemic. »

We believe once the pandemic is over, there will be high demand in the real estate market since individuals have more money saved during pandemic. Real estate in the Kingdom of Bahrain, is one of the few countries in the world which gives an average of 7-10% yield per year on the real estate investments, which is one of the highest.

It is very important that we as real estate developers monitor the number of units we are developing in order not to flood the market more than the demand. The key here is supply and demand.



GROWTH OF ONLINE REAL ESTATE SERVICES: DIGITIZATION

The number of people on the internet has more than doubled in the past year. Since most people spent their time indoors during the pandemic, the internet has now become part of the daily lives of the majority of Bahraini consumers, changing the way we live, work, play and shop. Many industries have established innovative online modules to meet these changes, one of which is the real estate industry.

The real estate industry, much like the F&B, banking and insurance sectors, has been quick to adopt digital solutions. It has a major online presence as home seekers look to ease the home-buying and leasing process by doing a lot of their search online, thus creating a digitization trend within the industry amongst a few others that the pandemic has started. The world as we know it has stepped into a zone of digital permanence and the real estate market, particularly in the GCC region, has adjusted accordingly and embraced the impact of digitization. This however does not mean that the online-property-search module has put real estate agents out of business.

On the contrary, the crisis has allowed sales agents to increase their online presence and immerse themselves into technology to meet the changing consumer habits. It has become a cost-effective and convenient way to conduct human activity, whether it is with transactions, property management, or virtual tours. It has opened up a portal of possibilities within the industry by introducing virtual reality 3D tours.

Real estate companies can now send clients a link to a virtual walk-in 3D tour on their cell phones. The tour can take the viewer through the property starting with a street view and location of the premises, walking into a building and visiting all the flats and amenities or bedrooms of a villa. To enhance the customer experience, viewers with virtual reality headgear have the opportunity to walk through the property to get the real-life experience of visiting the property. This interactive and innovative approach can shift the industry by collaborating hand-in-hand with the technology sector.



**Eng. Abdulrahman
Al Koheji**
CEO
Esnad Management

« The crisis has allowed sales agents to increase their online presence and immerse themselves into technology to meet the changing consumer habits.»

This form of technological intelligence can immensely improve and transform the real estate industry in Bahrain, even post COVID-19. Typically, a real estate agent provides a list of properties to the client that fits their budget and then the real-life visits to the villas or flats begin. The power of VR technology can help real estate companies grow their business and help agents gain more clients by delivering top-level services.

Clients visit more than one property typically and this can take up a lot of their time, effort and causes a risk during these unprecedented times. So, what is the solution? Simply put on a VR headset and experience an immersive 3D walkthrough of the property in the comfort of your own home. This helps clients narrow down the list of properties that do not fit their requirements and they get to decide which properties are worth visiting in person.

This brings up another dimension to improving the virtual reality experience, having virtual staging showrooms. The future of real estate is open to endless innovative approaches to viewings. Clients can have the option of viewing a property furnished or unfurnished with virtual instructions and walkthrough the property on an open empty stage to get the real-life experience. This can also help market projects that are still in the renovation phase, giving clients a look into what the property will look like upon completion. Though staging can be a great way to market properties, it requires investment and can be looked into further with an architectural visualization element to showcasing properties in Bahrain's future.

HAS RETAIL CHANGED FOREVER?

The question I am asked most frequently by clients is 'are there too many malls in Bahrain?'. While our culture and climate lend itself to the traditional mall-type developments, the decline in occupancy over the past couple of years somewhat answers this question.

A few of the notable retail malls which historically enjoyed close to 100% occupancy are now in the mid 80% occupancy range. In a selection of the newer, retail developments to come online, leasing periods have been considerably extended to over a year, and tenants have not renewed their leases and opted to either relocate or in some cases, leave the market entirely. To exacerbate this, the pandemic has changed how we live, shop, work and travel worldwide, likely forever.

According to the Centre for Retail Research, an estimated 15,747 retail shops closed for good in the UK in 2020. This highlights that retail is changing rapidly from the traditional bricks and mortar type set up even in mature markets. Within Bahrain, we have seen somewhat of a renaissance towards residential town 'outer-city' retail developments. As more people work from home, we have noted a higher demand for nearby retail and convenience where parking is also usually easier. The smaller units and associated lower costs have allowed for a rise in start-ups and new concepts entering the market, which has attracted a younger audience.

While these messages are concerning, the lessons learned in other markets should be used to identify opportunities. This is particularly critical as the level of online shopping has not penetrated this market anywhere near the western markets, and for that matter, the regional markets around us.

While the pandemic forced many retailers to switch to omnichannel strategies, the likes of Amazon and Noon haven't wholly entered the market with shipping delays incurred and therefore, making the online offering somewhat disjointed.

This switch does not stop at creating an online offering but also by diversifying. For example, in the UK, department store John Lewis who now makes 70% of its turnover online is venturing into the development by creating residential space in 20 stores. This isn't to say that the typical store has no place, or the traditional high street is no more. Amazon is becoming an occupier of such spaces by fully implementing and innovating technology to take the customer's journey to the next level with augmented reality and artificial intelligence developments.



Hashim Kadhem
MSc MRICS, Director -
Head of Professional Services
Savills - Bahrain

« Retail is changing rapidly from the traditional bricks and mortar type set up even in mature markets.»

Their 'Amazon Go' grocery stores allow customers to shop without staff present or using a physical checkout. The Ministry of Industry, Commerce & Tourism moved very quickly at the start of the pandemic to assist the retail sector in Bahrain by creating an online 'mall' type platform for retailers to showcase their offerings. WhatsApp is trialling something similar in collaboration with Watford Borough Council in the UK by creating a virtual 'high street'.

There are instances where physical retail will always work in some form. However, the days of replicating large retail focussed malls in the thousands of square meters are numbered. The Bahrain market's physical size and the young educated population allows for quick innovation adoption for new technologies. I believe now is the time for us to lead the way and change the course that Bahrain's retail market is on. Twinned with our geographical reach and the Economic Development Board's strenuous efforts, a sizable opportunity can and should be seized.



STRATEGIC WAYS TO BUILD-UP A REAL ESTATE COMPANY IN THE MIDST OF A GLOBAL CRISIS

During the global pandemic (Covid-19), real estate and other businesses tended to fall due to economic recession. As we all know there is a huge negative impact to the economy and investing in a real estate business is quite crucial in the midst of this global economic slowdown.

When we talk about "real estate" businesses, there are several functions that go under this umbrella; brokerage, management, property development, sales and marketing and professional services. Regardless, through proper strategies, budgeting and planning, real estate companies still have their strengths, advantages and can still thrive through this pandemic.

1) Determine a budget:

It is helpful to understand first what funds or allocated budget to determine the specific strategies that you can implement to achieve your goal. Through cost performance baseline you can estimate, monitor and control the overall expenditures of your company to avoid financial problems during this global economic slowdowns.

2) Set marketing goals and objectives:

Visualize marketing strategies by creating a useful list of marketing objectives to outline the goal of your company, such as promoting newly and modern designed units, growing your company's digital presence, target new clients through their wants and needs, retain existing customers and build brand awareness campaigns for clients recognition and to educate your clients about your properties and services.

3) Invest in social media marketing:

As the world struggles with Covid-19, a lockdown and travel restrictions, businesses are going digital. The world is fully embracing the digital marketing realm as never been before. Investing in an online marketing for your products and services will be recognized and easy to contact. Make sure that your company has social media accounts on all the big networks such as; Facebook, Instagram, and even Pinterest, if you snap



Islem Fawzi Gabsi
Managing Director
MGI Real Estate And
Property Management

« As the world struggles with Covid-19, a lockdown and travel restrictions, businesses are going digital. »

a lot of property pictures. Connect with users, share your knowledge, and promote your properties.

4) Focus on SWOT analysis:

By assessing your company's Strengths, Weaknesses, Opportunities and Threats in the current situation, you can decrease the chances of failure by understanding and determining what is lacking in your company. Identifying your company's weaknesses and threats will also help your company eliminate the hazardous effect of the current situation.

5) Make strategic cost cutting:

As the world's economy suffers on the back of this global pandemic, many companies have been challenged and shaken down. Creating strategic cuts to your company and through the help of cost-cutting programs will enable your company to thrive. Building strategies on reducing the cost of the real estate day-to-day business operations will help your company in the long run.

6) Practice virtual tour innovations:

In previous practices, real estate companies showcase their properties by means of flipping through books, magazines or even flyers and leaflets. Then came the world of the internet that transformed our world into a digital one, where everything is accessible virtually. Through these practices companies can easily perform without requiring physical contact, huge budgets or a large team. Real estate companies innovate by staging their properties by means of adding home décor to visualize and give clients a better sense of what their furnished home would be like.

VIRTUAL VIEWINGS OFFER HOPE TO BAHRAIN'S REAL ESTATE MARKET

During these unprecedented economic times, strict lockdown measures in dozens of countries have put real-life property viewings into a tailspin. During what is expected to be a difficult real estate market going forward, virtual viewings have been introduced in an effort to maintain social distancing standards while searching for a property, meaning potential renters and buyers can now view flats and houses from the comfort of their own home. It could be some time before property agents see large numbers of in-person viewings once again. Even if the stay-at-home orders are relaxed soon, many owners may not want so many people entering their homes, especially if they're still living at the property, which could boost the use of virtual tours even more.

Pre-crisis, the real estate industry was on the path to digitizing processes and creating digitally enabled services for tenants and users. Most people would agree that digital disruption is a prominent feature of the modern world. Adoption and integration of technology in our day-to-day lives has been both persistent and widespread in the last two decades. Industries, including real estate, have been impacted by a range of innovative platforms and solutions delivering business continuity, boosting productivity and transforming the way business is carried out.

The need to digitally transform has become ever more apparent in the wake of the Covid-19 pandemic which has profoundly shifted the way firms operate. To cater for a more location-flexible workforce, quick and reliable connectivity has been a high priority for businesses.

Investment in alternative digital sales and leasing methods, particularly using virtual technology for the likes of viewings and augmented and virtual reality to enhance the user experience, has been witnessed among players in residential and commercial real estate market. Since then virtual viewings have become so popular with house hunters that it looks like they are here to stay.

Any proprietor or seller thinking about investing in virtual viewings can take specific steps to maximize the impact. It is the same advice real estate agents give to sellers for viewing in person. De-personalize your



Mohammed Ashraf
Sales and Marketing Director
Era Real Estate

« Pre-crisis, the real estate industry was on the path to digitizing processes and creating digitally enabled services for tenants and users. »

home to help the viewer imagine the property as if it was their own.

Complete all maintenance jobs, even the small ones, because virtual technology picks up the most minute of details. Cleanliness is also a must, and in the cases of neglected properties for sale, it is worth getting a cleaning crew in for a deep clean. While cameras scan rooms, all people should leave to maximize the viewer's experience.

Virtual viewings cannot replace location knowledge, and homebuyers will still need to do their research for that aspect. Still, the technology helps them to weed out which properties suit their lifestyle.

Focusing on providing excellent client services and embracing game-changing technologies will be essential key in enabling real estate professionals to ride the tides of digital transformation.



COVID-19 AND EVOLVING PERSPECTIVES IN REAL ESTATE

As the effects of Covid-19 are felt around the world, real estate companies are impacted in different ways, largely dependent on region and asset class. In the short term, real estate executives are concerned with preserving values and liquidity, keeping tenants and visitors safe and complying with governmental requirements.

Key Problems Faced in the Market

- Over Supply

Over supply continues to govern residential property prices and rents in Bahrain. Adding to the trend of subdued market conditions in the office sector and higher vacancies, the completion of projects under construction are increasingly pressuring landlords to attract tenants.

- Increased Energy Cost

Bahrain has witnessed an increase in energy costs which has resulted in the residential market to shift from larger to smaller units.

- Emerging Work From Home Culture

Occupiers are expected to analyse their office requirements with a strong probability of downsizing as more flexible working conditions are offered to employees. These trends were seen emerging globally with companies such as Twitter and Fujitsu allowing staff to work from home or the office dependent on their convenience.

- Restrictions on Travel

With a considerable portion of income coming from tourism and hospitality sector, have helped Bahrain diversify its source of income amid falling oil prices. Travel bans and Covid - 19 restrictions have hit the industry hard with minimum tourists visiting.

- Creative Government Interventions

At this crucial time support from authority has been



Hazeeth Hari
Director - Sales and
Marketing
Mikal Real Estate

« Tough times may call for different approaches to survive in the market. Our suggestion from the experience of serving the Bahrain community for past years is to stick to the basics.»

extended to help businesses across sectors survive and minimise monetary and manpower loss.

- Over supply in some areas and sectors has balanced by stable, even slightly rising, rents and prices.
- The Kingdom of Bahrain has been quick to respond and has done so efficiently, announcing relief measures.

- Benayat, a new streamlined platform has been opened. Which reduces the time taken to obtain a construction permit to five days versus several months taken in the past.

- Adoption of International Real Estate Standards with the launch of Bahrain Valuation Standards (BVS) aimed at higher protection for investors and banks and greater transparency and accuracy in the overall market.

- Mantra to Overcome

Tough times may call for different approaches to survive in the market. Our suggestion from the experience of serving the Bahrain community for past years is to stick to the basics. Stick to the principles that made you the kind of service provider you are today. Identifying the key changes in the market and evolving accordingly is inevitable but keeping your basics intact could take you a long way.

- Customer Relationship

Customer relationship is and has always been the key to success for any business. Maintaining a robust

« The whole world is going digital. This pandemic has increased the phase of digitalisation in our economy. »

customer relationship should be a priority as it is the fundamental for conducting any business.

- Going Digital

The whole world is going digital. This pandemic has increased the phase of digitalisation in our economy. People can conduct business at the comfort of their home. It is vital to identify the trend at the earliest and to make an excellent digital presence in the market, especially in the context of social distancing and safety.

- Online Marketing and Advertisements

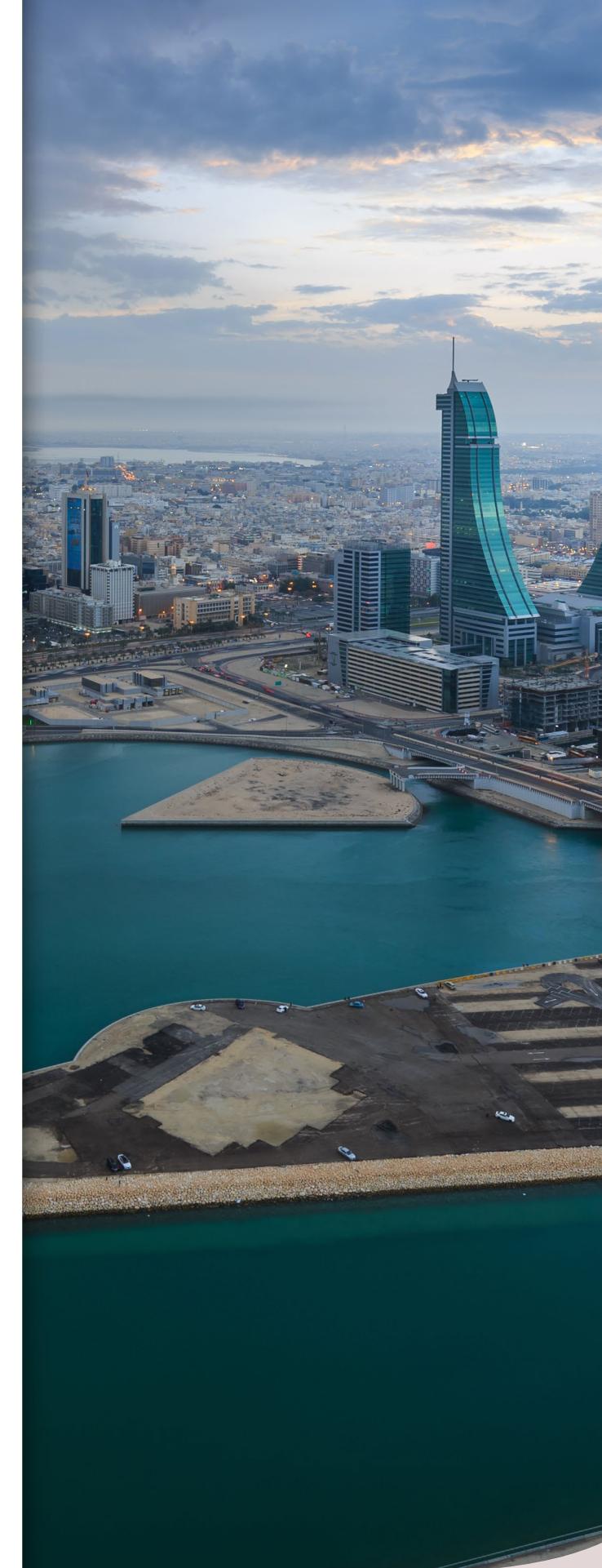
It is hard not to notice the growth of internet consumption in our society. The Internet and social media have immaculate influence in our recent times, the importance of which only increased in recent times. Targeted digital marketing can provide us an upper hand over other players in the market.

- Government Regulations

It is of utmost importance to follow government regulations imposed in light of the pandemic. Following additional rules and regulations imposed by the government regarding safety and business conduct and utilising the benefits provided by the government is crucial to survive.

- Future Prospects

Bahrain's real estate market has outperformed many major investment destinations this year. The advantage of the market is driven by fundamentals which have shown improvement since early this year, and investors who have been committed for the long term. If the expectations of economists worldwide are realised and the real estate market continues to track the economy closely, a revival in market condition in Bahrain is a plausible central forecasting scenario. The high-level takeaways below suggest a new reality for the real estate sector – one where digital transformation, enhanced flexibility, trusting relationships and holistic approach to ESG Considerations are required to deliver true competitive advantage to real estate owners, investors and stakeholders. It will have a significant influence on how real estate markets will fare over the coming years and understanding their longer-term impacts will be key to future success.



GOOD PROPERTIES NEVER STAY VACANT... DON'T BLAME COVID-19

Many real estate owners complain about the lack of circulation or the stagnation of the real estate market, and there is no doubt that there is a general recession, which has its known causes. But unfortunately, there are hidden reasons for some and I will mention the most important ones.

Bad locations or low-quality furniture of some of the real estate units offered:

- Poor marketing of some landlords, and not to mention exaggerated prices.
- The surge of high electricity bills on foreign tenants or owners.
- The behaviour and treatment of some landlords for tenants or those who are about to buy.
- The increase in rental or sale prices after the global real estate market inflation.

Landlords are demanding their properties at a price of one million dollars, and in return, they lose \$300 to clean the property. If you do not respect and appreciate your property, how do you expect others to appreciate it? Others furnish the properties with low-quality furniture and then complain the property is not being sold or rented out. You must be convinced that the street on which your apartment is located has 500 apartments competing with you, and that the area in which your street is located in which your apartment is located has 5,000 units competing with you as well, so where does your apartment stand between this competition?

As a real estate owner, developer, or real estate investor, take into account the use of a decor designer, because even if you have the funds to invest or develop a property does not mean that you are a good interior designer. The unit must be treated as a product or a commodity and it must compete in the market, and you must treat your property as a competitive product.

We have come out of the period of real estate market price inflation, and real estate owners have to consider this period and study it well. As investors, we must accept that we are heading into a difficult recession that has begun to descend and will continue for the next three years, unfortunately. If you want to exit your investment, you must be prepared to face obstacles and accept the reality of losing 20% to 35% of the current value of your property in order to reach acceptable prices for trading in the next five years.



Bader Nass
Managing Director
InfoReal Estate WLL

« The unit must be treated as a product or a commodity and it must compete in the market, and you must treat your property as a competitive product. »

There is no doubt that this period is considered a period of price and market correction, and we are unfortunately at the beginning of the worst recession of the real estate market and the world, which began in 2019 and will continue for a period of five years; the worst of which is 2020 to 2023. Investors, your erroneous decision of buying apartments in which the cost exceeds 650 BHD to 750 BHD per square meter does not mean that another mistake will correct the first mistake and will compensate you with what you invested.

The price per square meter for buying an apartment for investment purposes ranges between 800 BHD and 1200 BHD per square meter and speculation is inevitably a wrong and useless decision. There is no calculator that can return your investment unless you are ready to give these properties to the next generation of your family. You must accept the reality with open arms and revisit your calculations by not increasing the price of the meter offered for sale beyond 650 BHD and 750 BHD, as a maximum, per square meter.

Those who are unaccepting of this reality in the hopes of improving conditions soon must realize that the decline and recession will last between three to five years, where we hopefully begin to recover from the fifth year onwards. Do not blame COVID-19 for not renting or selling your property; real estate at a reasonable price and location that brings you good news do not stand in the market, meaning, it is in circulation. Under par properties or units with exaggerated price tags have no place in the market in the coming years.



CONSUMER SEARCHES EXPLAINED

1 TOP SEARCHED AREAS - page 47

2 USER BEHAVIOUR - page 51

3 TOP SEARCHED KEYWORDS - page 53

TOP 20 SEARCHED AREAS FOR APARTMENT AND VILLA RENTALS IN BAHRAIN

APARTMENTS

LOCATION

- | | |
|-------------------------|------------------------------|
| 1. Manama | 11. Tubli |
| 2. Juffair | 12. Hoora |
| 3. Amwaj Islands | 13. Dilmunia Island |
| 4. Seef | 14. Diyar Al Muharraq |
| 5. Al Hidd | 15. Galali |
| 6. Saar | 16. Sanad |
| 7. Riffa | 17. Budaiya |
| 8. Busaiteen | 18. Isa Town |
| 9. Janabiya | 19. Bu Quwah |
| 10. Reef Island | 20. Hamala |



VILLAS

LOCATION

- | | |
|-------------------------|------------------------------|
| 1. Saar | 11. Durrat Al Bahrain |
| 2. Amwaj Islands | 12. Al Hidd |
| 3. Manama | 13. Busaiteen |
| 4. Janabiya | 14. Barbar |
| 5. Hamala | 15. Diyar Al Muharraq |
| 6. Riffa | 16. Jannusan |
| 7. Juffair | 17. Sanad |
| 8. Budaiya | 18. Seef |
| 9. Al Jasra | 19. Galali |
| 10. Tubli | 20. Zallaq |

TOP 10 SEARCHED AREAS FOR APARTMENTS AND VILLAS FOR SALE IN BAHRAIN

APARTMENTS

Once again, Amwaj Islands tops the list as the number one searched area for apartments for sale in Bahrain, with over 18 percent of searches in 2020, as it continues to attract buyers' interest. We are now also seeing other areas gain traction, such as Riffa, which is most likely due to an increase in units becoming available.

LOCATION

- | | |
|-------------------------|-----------------------------|
| 1. Amwaj Islands | 6. Dilmunia Island |
| 2. Juffair | 7. Diyar Al Muharraq |
| 3. Seef | 8. Reef Island |
| 4. Manama | 9. Riffa |
| 5. Al Hidd | 10. Busaiteen |

VILLAS

The massive interest in properties in Amwaj Islands also applies to villas for sale, which is why the man-made island also commands the top spot for villa sale searches. Diyar Al Muharraq was the second most searched area for villa sale searches in 2020, overtaking Saar, as the newly developed area also continues to gain traction.

LOCATION

- | | |
|-----------------------------|-----------------------|
| 1. Amwaj Islands | 6. Hamala |
| 2. Diyar Al Muharraq | 7. Janabiya |
| 3. Saar | 8. Al Hidd |
| 4. Riffa | 9. Sanad |
| 5. Durrat Al Bahrain | 10. Hamad Town |

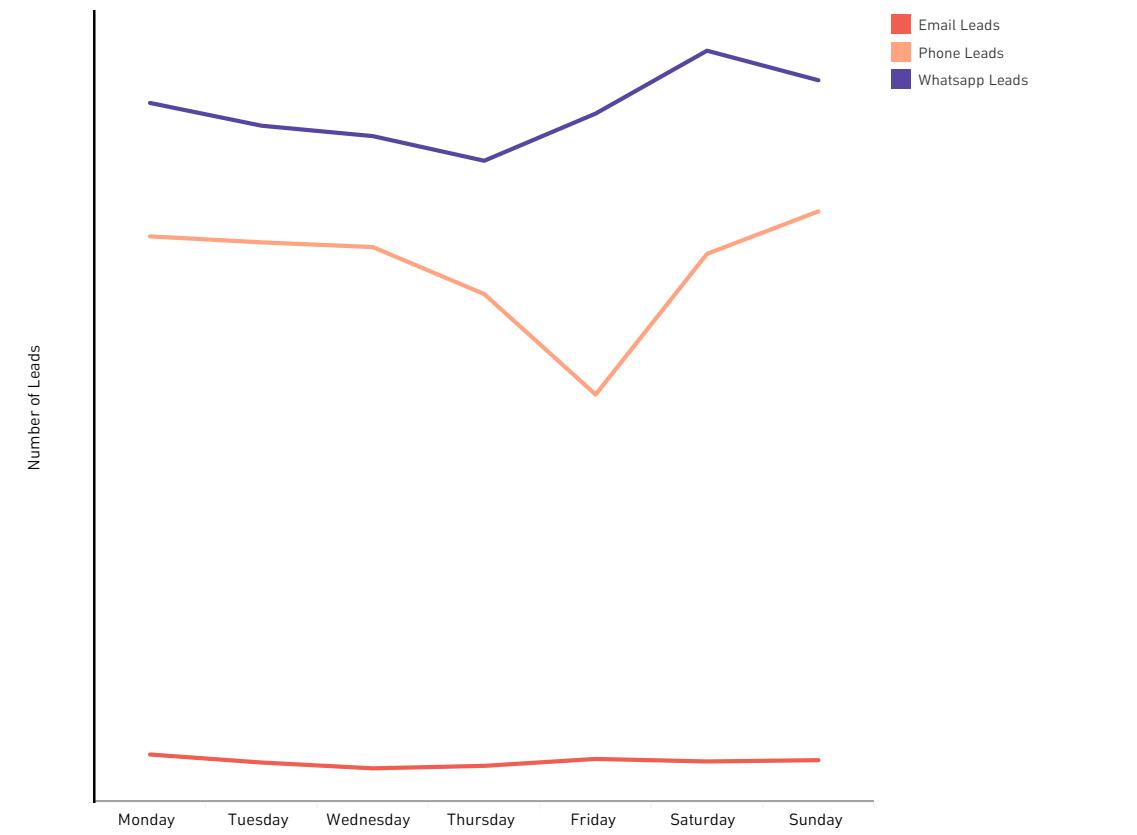
Based on the number of searches on propertyfinder.bh from January - December 2020



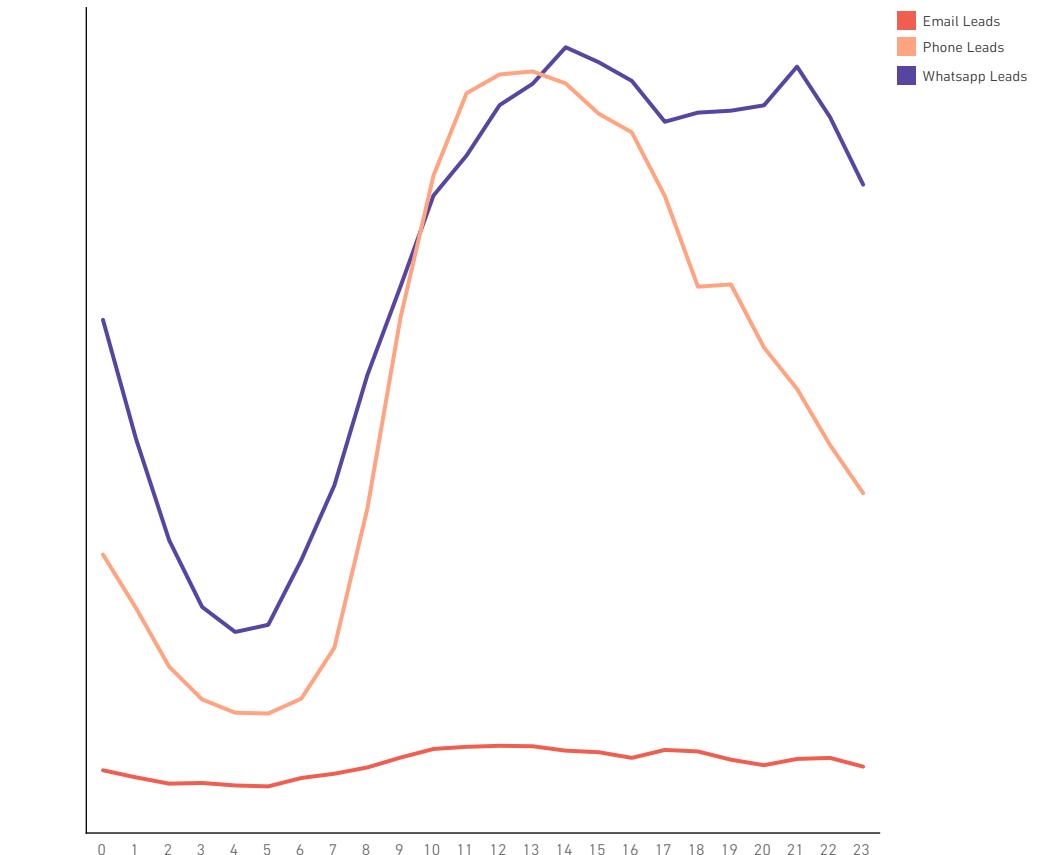
USER BEHAVIOUR

**When and how are consumers using our portal?
Here's what you should know to optimise your performance**

LEADS PER DAY OF THE WEEK



LEADS PER TIME OF DAY



It's interesting to see the pattern of how leads change based on type. Phone leads are steady throughout the week and decrease on the weekend, especially on Fridays, as it is a family day and time for people to unwind. However, there is a different trend for WhatsApp leads, which reach their peak on the weekend due to the fact that it is easier to send an email or WhatsApp message than to make a phone call.

Most phone leads come in at around midday, particularly between 11am and 12pm as most end-users are typically on break. These leads begin to decrease as the day ends. WhatsApp and email leads are more sporadic and do not follow a consistent pattern throughout the day. Again, this is due to the convenience and effortlessness of communicating through those two mediums.

TOP SEARCHED KEYWORDS

End-users will often enter keywords on propertyfinder.bh to filter search results.

Adding these keywords to your titles will help your properties appear more frequently, and help you reach users who are searching specifically for these amenities and facilities.

Here are the top searched keywords used in 2020 on our site.

APARTMENTS FOR RENT

Top keywords

FURNISHED BALCONY NEW
POOL GYM PETS ALLOWED
 BEACH SEA VIEW GARDEN

VILLAS FOR RENT

Top keywords

NEW FURNISHED PET FREEHOLD
 BALCONY POOL GARDEN
 BEACH GYM MAID'S ROOM SEA VIEW

APARTMENTS FOR SALE

Top keywords

FREEHOLD SEA VIEW POOL
BALCONY GARDEN 2 BEDROOM PETS ALLOWED
 VIEW MAID'S ROOM NEW BEACH

VILLAS FOR SALE

Top keywords

PRIVATE POOL NEW BEACH PETS ALLOWED
POOL GARDEN MAID'S ROOM
 SEA VIEW BALCONY COMPOUND MODERN

Based on the number of keyword searches on propertyfinder.bh from January - December 2020

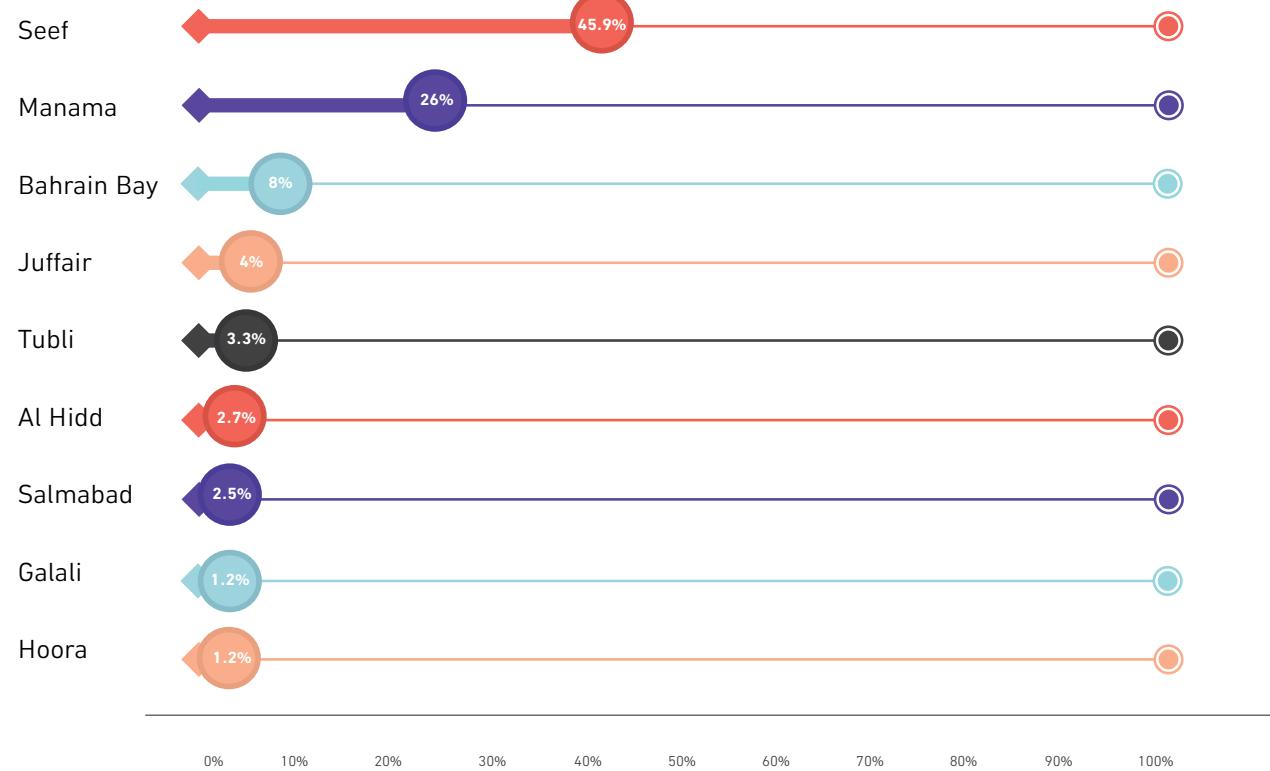
TOOLS TO HELP
YOU WIN MORE
BUSINESS

COMMERCIAL

- 
- 1 COMMERCIAL OFFICES - page 43
 - 2 COMMERCIAL MARKET ANALYSIS - WAREHOUSES - page 47
 - 3 TOP SEARCHED AREAS FOR WAREHOUSES - page 49
 - 4 COMMERCIAL MARKET ANALYSIS - LAND - page 49

COMMERCIAL OFFICES FOR RENT IN BAHRAIN

Areas with the highest number of leads for office rentals in Bahrain



Approximately 72 percent of leads for office rentals have been recorded in Seef and Manama in 2020, which are known for being some of the country's most active business areas, and remain very much in demand. Al Juffair is an area that has gained a lot of momentum, and has recorded an increase in leads as well. Tubli is another area that has gained popularity when it comes to office rentals, as more offices become available in the area.

Based on the number of enquiries and listings on propertyfinder.bh in 2020

Average monthly asking price for office rentals in Bahrain

Location	Average Monthly Price (BHD)
Bahrain Bay	1,274
Manama	800
Riffa	765
Seef	747
Juffair	678
Janabiya	422
Tubli	408
Sitra	406
Hoora	344
Salmabad	246

An influx of brand new, luxurious offices in Bahrain Bay has increased the average price for office rentals in the opulent location, and advertised prices are now some of the highest in Bahrain, recording an increase of 33 percent when comparing 2019 with 2020. Prices for office rentals have somewhat fluctuated in the same time period for other areas, as an increase in supply has most likely increased prices. However, some areas such as Manama, Al Juffair and Hoora have recorded a decrease in prices, as other areas are now offering a number of newer offices for similar price ranges.

Based on the advertised price on propertyfinder.bh in 2020



COMMERCIAL MARKET ANALYSIS

Top searched areas for office rentals in Bahrain:

- 1. Manama**
- 2. Seef**
- 3. Bahrain Bay**
- 4. Hoora**
- 5. Juffair**
- 6. Riffa**
- 7. Tubli**
- 8. Salmabad**
- 9. Al Hidd**
- 10. Amwaj Islands**

Manama and Seef stand firm as the top two most popular areas for office rentals in the country, as they continue to be known as the business hubs of Bahrain, accounting for a whopping 70% of office rental searches in 2020. However, we can also see an increased interest in Bahrain Bay, as well as Juffair, as demand begins to increase in these locations as well.

Based on the number of searches on propertyfinder.bh from January - December 2020

Average monthly price for warehouse rentals in Bahrain

Location	Average Monthly Price (BHD)
Al Hidd	2,219
Askar	7,165
Ras Zuwayed	5,216
Riffa	2,036
Salmabad	1,694
Sitra	3,099

Rental prices are based on the average monthly rental prices displayed on Property Finder in 2020.

The data is based on the advertised prices on propertyfinder.bh and may not reflect the actual transacted price.

TOP SEARCHED AREAS FOR WAREHOUSES

RENTALS

- | | |
|--------------------|------------------------|
| 1. Al Hidd | 6. Riffa |
| 2. Sitra | 7. Manama |
| 3. Salmabad | 8. Ras Zuwayed |
| 4. Tubli | 9. Sanad |
| 5. Askar | 10. Mina Salman |

LOCATION

LOCATION

- | | |
|--------------------|-------------------|
| 1. Riffa | 6. Seef |
| 2. Hamala | 7. Sitra |
| 3. Manama | 8. Tubli |
| 4. Janabiya | 9. Juffair |
| 5. Salmabad | 10. Askar |

Based on the number of searches on propertyfinder.bh from January - December 2020

Based on the number of searches on propertyfinder.bh from January - December 2020



COMMERCIAL MARKET ANALYSIS

Average Price per sqft – land for sale

Location	Average Price per sqft (BHD)
Al Hidd	294
Amwaj Islands	580
Busaiteen	370
Diyar Al Muharraq	320
Galali	384
Manama	561
Ras Zuwayed	132
Riffa	596
Salmabad	296
Seef	644

Based on the advertised price on propertyfinder.bh in 2020



Top searched areas for land for sale

- 1. Manama**
- 2. Askar**
- 3. Diyar Al Muharraq**
- 4. Seef**
- 5. Al Hidd**
- 6. Ras Zuwayed**
- 7. Riffa**
- 8. Amwaj Islands**
- 9. Juffair**
- 10. Galali**
- 11. Wahat Al Muharraq**
- 12. Busaiteen**
- 13. Dilmunia Island**
- 14. Salmabad**
- 15. Karzakkan**

Based on the number of searches on propertyfinder.bh from January - December 2020

WE ARE PROPERTY FINDER

- 1 **WHAT SETS US APART** - page 67
- 2 **OUR PERFORMANCE** - page 69

WHAT SETS US APART



1. OUR SUCCESSES

We strive to improve, see things differently and develop our critical mind in order to produce the best.



5. WE DESIGN THE UNEXPECTED

We like to achieve that WOW effect, make the magic happen and surprise our clients. Between creativity and reality, there is only a thin border. We like to imagine and make things happen.

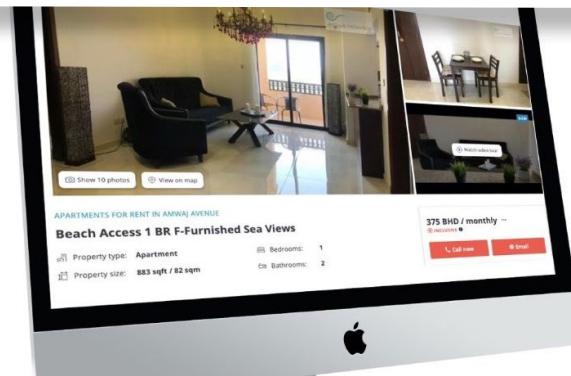
2. WE BELIEVE IN OUR PEOPLE

At Property Finder, we have a conviction: successful projects are born in the hands of enthusiastic employees from different horizons.



3. WE INNOVATE

Whether it's our brand, our app, a new product or a new colour of a button, we never stop innovating, never procrastinate and always strive to be the best.



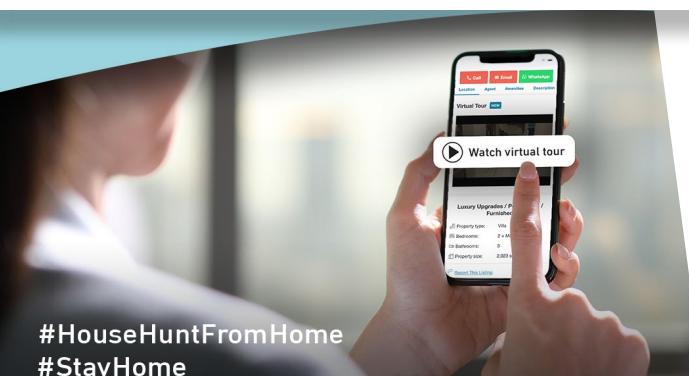
4. TRENDS

Yup, as in the report you're holding right now. Packed with articles by some of the best industry experts, coupled with the most impactful data and statistics on the most in-demand and also up and coming areas. The report is designed to cater to both our B2B audience as well as our web users, ensuring everyone has the most important information about the local real estate market at their fingertips.



6. WE LISTEN TO FEEDBACK

When we develop new products, we speak to our clients and listen to their stories to better understand the pain points they experience in their day-to-day work. Based on the feedback, we identify and prioritise products to develop.



7. WE THINK OUTSIDE THE BOX

We think that questioning the status quo is a good thing. We like to think differently, unconventionally, and from a new perspective. That's how great concepts are born.



8. DATA

Data beats opinion! We stay ahead of the competition by utilising the extensive range of data that we analyse in order to strategise correctly and meet the demands of both our clients and end-users.

OUR PERFORMANCE – PROPERTY FINDER

Our mission is to be the fastest and easiest portal for finding property, as well as the best marketing channel for agents.

We continue to gain traction across all performance metrics in Bahrain, with the largest market share, lowest bounce rate, highest number of pages per visit, and the most visits per person than any other portal.

ORGANIC SEARCHES:

If you search for a “2-bedroom apartment in Juffair” for example, you’ll almost always see propertyfinder.bh at the top. We work tirelessly to ensure that our clients’ properties are seen first and that users get the most accurate results according to what they’re searching for.

LEADS AND SESSIONS:

We continue to generate the highest number of leads for our clients than any other portal in Bahrain, which is one of the metrics we use to measure our success.

Total leads have increased 55.3% from last year, when comparing January–December 2019, to January–December 2020.

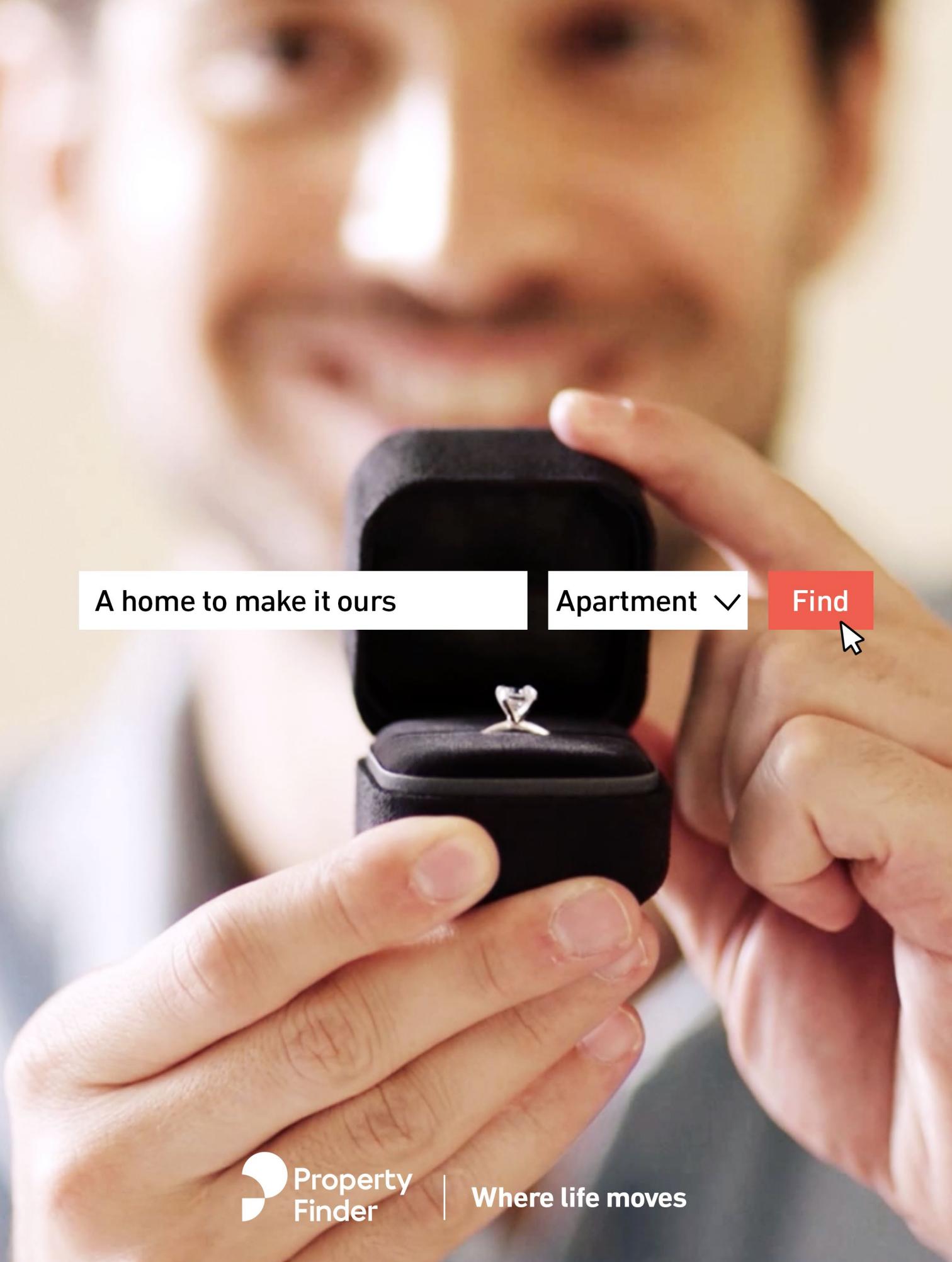
Sessions have also increased by 26.5% in the same time frame.

LEADS: 55.3% INCREASE | PROPERTY
FINDER

SESSIONS: 26.5% INCREASE | PROPERTY
FINDER

Source: propertyfinder.bh internal statistics tracking data.
Sessions, Users & PVs: Google Analytics January - December 2019, January - December 2020





A home to make it ours

Apartment ▼

Find



Property
Finder

| Where life moves