

H1 2022

TRENDS

BAHRAIN REAL ESTATE MARKET REPORT



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« Using our wealth of quantitative information, combined with vast data sets we strive to create solutions and insights for all stakeholders in the market. »



Message from our Country Manager

Welcome to our 8th edition of Trends, Bahrain's real estate encyclopedia.

Our Trends report has always been designed to provide you with valuable insight for all things real estate in Bahrain, with emphasis placed on highlighting key trends that our customers may find useful when running their business or property portfolio.

Using our wealth of quantitative information, combined with vast data sets we strive to create solutions and insights for all stakeholders in the market. In this edition, you will find consumer search trends including the most popular communities, stock and supply models and much more.

In addition, this report brings you voices of industry leaders providing priceless insights from the market-makers and movers.

One thing is for sure, technology and consumer behaviour are changing daily, and at Property Finder, we continue to create new opportunities and opportunities to ensure that we remain the authoritative voice of real estate in the region.

We hope you find this publication insightful and beneficial for your business.

Khaled Al Saeh
Country Manager

CONTRIBUTORS



Adeel Ajaz
Managing Director
Bayut Properties

With over ten years of experience in the real estate market, and after working for some of the top real estate companies in the Kingdom, gaining the trust of developers and property owners alike, Adeel decided to establish Bayut Properties, with the sole purpose of setting unparalleled standards of customer service, transparency, and building a strong relationship with investors and property owners.



Hussain Alsebea
Managing Director
Beyond Best

Hussain is the managing director and founder of Beyond Best Real Estate with over 8 years of experience in the real estate market. Previously he was a partner at Green Gate Properties, he also was a retail manager in the biggest publishing company in the Middle East, ITP. Aside from having a BSc in Business Administration, he is also a Certified Professional in Human Resources and Compensations.



Anastasia Ageeva
Managing Director
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Anastasia started her real estate career in St Petersburg, Russia, working with IKEA-MEGA as a Leasing Manager on a multi-million dollar project. Having relocated to Bahrain, in 2007, she joined Impact Estate as a Sales and Marketing Manager and Special Projects Manager and after 11 years of experience in the GCC market, she founded the boutique Real Estate Company RmR, based in Amwaj Islands. In addition to a degree in Sales and Marketing and a Master's Degree in Education, Anastasia is an R.S.C.I Certified Life Coach and a semi-professional triathlete



Hazeeth Hari
Director of Sales & Operations
Mikal Real Estate

Hazeeth Hari has been the director of sales and operations at Mikal Real Estate since 2018. His experience as a Senior Finance and Property Manager in a reputed investment company has helped him gain the discipline required to successfully build an efficient real-estate team in Bahrain's competitive market.



Mounir Kallel
CEO
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Mounir has a rich and varied professional experience of over 40 years. With a background in psycho-linguistics, he started academically then moved to business, and gained valuable experience in financial services for over 30 years. He then entered the real estate sector as an investor during the 90s which has since provided him with the right knowledge and skills making it his profession. Mounir K. is a living coach at heart, inspiring all those around him.



Sravan Kumar
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Fontana Real Estate

Sravan Kumar.V is an experienced Branding and Digital Marketer having over 13 years of experience. With a proven track record in designing and implementing 360-degree marketing strategies and communication across real estate, education, entertainment, hospitals and hospitality industries. He currently helps firms undergo digital transformation and is currently associated with Royal Ambassador as a Sr. Digital Marketing Officer



Eng. Mohammed Abdulghaffar Al-Kooheji
Chief Executive Officer
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Mohammed manages a portfolio of over BHD 100 million across the Kooheji Holding residential and commercial projects. He is a strategic planner with cross-functional experience and a transformational leader who is passionate about building a successful organisation with winning teams to deliver superior results. He is managing Kooheji Development, one of Bahrain's leading real estate developers and an award-winning property development company that redefined the luxury lifestyle in residential towers. Having over 16 years of deep experience in construction, and a track record in managing high-rise residential developments and urban development projects including the Fontana series; Springfield series; SpringHill series; Seef Avenue and ONYX Bahrain Bay projects. He also graduated from Lincoln College of Engineering and Technology, the University of Nebraska, USA with a degree in Construction Management, he is a Certified Constructor. He has also studied Driving Corporate Performance and Strategy at Harvard Business School.



Dr. Maher A. Aziz Al Shaer
Managing Director
Eagle Hills Diyar

Dr. Maher A. Aziz Al Shaer is the Managing Director of a joint venture between Eagle Hills and Diyar Al Muharraq, who are responsible for the construction of Marassi Al Bahrain, located at the northern shores of Diyar Al Muharraq. With an illustrious career, Dr. Al Shaer has held several top-level positions as a decision-maker and CEO, clocking up an impressive 27 years in the industry within the Kingdom of Bahrain. His previous roles saw him at the helm of several renowned institutions, including, Diyar Al Muharraq, Majid Al Futtaim Group (MAF)-Bahrain, and Seef Properties-Bahrain, as well being on the Board of Directors of many prominent organisations, such as MAF Group Joint Venture companies, Bahrain Property Development Association (BaPDA), Real Estate Regulatory Agency (RERA), and Bahrain Real Estate Investment Company (Edamah). He was also the former president of the Middle East Council of Shopping Centres. Dr. Maher Al Shaer is a holder of a Doctoral degree in Real Estate Development from the Liverpool John Moores University (LJMU), UK as well as holds a Master's in Business Administration (MBA) from the University of Hull, UK.



Qusai Aizouki
Managing Director
BCS Management Co.

An astute real estate professional with more than two decades of experience in strategic collaborations with developers, landowners, and a veteran in building institutional relationships. He specialises in the Strata consultancy and management of large strata schemes in residential, commercial, and mix-use properties. He is a subject matter expert on Strata Management and the establishment of the owner's association. He has done specialised consultancy work and managed a portfolio of 30 significant developments. Qusai holds an MBA degree in Entrepreneurship & Innovation from MIP – Politecnico di Milano (Italy) and has earned the highest certificates from the Community Association Institute(CAI), such as CMCA, AMS, and PCAM.



Dharmendra Venugopal
General Manager – Operations
Royal Ambassador - By Kooheji Development

A hospitality, real estate, facility and community management professional with 29 years of experience in a diversified multi-cultural environment developing, directing and implementing strategies and programs that achieve results for leading companies both in India and the GCC. He worked in Royal Ambassador in Bahrain which symbolises a benchmark for luxury world-class living and a premium investment asset. Dharmendra was able to motivate personnel to high-performance standards and excellence, consistently aligned management strategies with business goals and achieved significant improvement in key business metrics. His long years of experience in varied industries have motivated him to bring visions into action. His administrative skills provide the capability of directing a dynamic and seasoned team of professionals to deliver unsurpassed satisfaction to clients through excellent services.

PROPERTY TRENDS

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PROPERTY TRENDS



Sara Assad
Senior Marketing
Manager - Qatar,
Bahrain and KSA

THE CONTEXT

Bahrain’s real estate market continues to flourish, with more and more emphasis on the importance of the sector to the country’s economy. With a number of government-backed initiatives taking place, and more emphasis being placed on real estate, we can see that the market has bounced back, especially when it comes to the sale market.

Data from The Survey and Land Registration Bureau (SLRB) shows that in the first quarter of 2022, real estate transactions were significantly higher when compared to 2021. This cements the notion that real estate in Bahrain is continuously being rejuvenated. This, in addition to the newly announced “Golden Visa Residency” program announced by the government, will pave the way to attract foreign investment, and help the market continue to become a significant player in the country’s economy. According to a report by CBRE, recorded apartment sales figures increased by 2.3 percent when compared to 2021, which has reflected the first positive rate variation in a few years.

One of the major turning points in the market is the continuous injection of stock, especially in the Southern Governorate, which witnessed an increase of 10 percent in the number of rental listings and a whopping 64 percent in sale listings when comparing January – June 2021 with January – June 2022. Stock has continued to increase in Riffa, Isa Town, Durrat Al Bahrain and more, which is creating continuous movement in those areas. In fact, our data shows an increase in all governorates when it comes to sale listings, which is a clear indication that the market is moving to more of a “sale centric” market.

However, prices for the sale sector have not found a stable price trend – on the contrary, price decreases have been recorded across all major governorates, which could be due to two main reasons; the presence of RERA has created more of a transparent market, as well as the increase in the number of listings, which means that buyers now have a wider variety of units to choose from.

When it comes to rentals, we can see that fluctuations continue to take place. When comparing January to June of 2021 with January to June of 2022, data from www.propertyfinder.bh shows that prices in both the Southern and Muharraq Governorates have more than doubled, while the Capital Governorate recorded an overall price decrease of almost 40 percent in the same time. Once again, this is because of new stock being injected in the market, so units in areas across the Capital Governorate had to readjust their pricing strategy in order to attract interest.

PROPERTIES FOR RENT APARTMENTS

Apartments continue to be the top searched unit in Bahrain, especially with newer stock entering the market.

Areas like Galali and Amwaj Avenue have recorded a price decrease from BHD 290 to BHD 230 and from BHD 500 to BHD 450 respectively in advertised median prices when comparing H1 of 2022 and 2021, and this is mainly due to new developments becoming ready for handover and in high demand, mainly located in Diyar Al Muharraq and Dilmunia, which are providing luxury amenities and various facilities within short driving distance to their residents. Residents of Galali and Amwaj are considerably close to these areas and can reap the upcoming facilities that are to be provided there.

In turn, the advertised median price in Dilmunia Island recorded an increase from BHD 500 to BHD 550, which is more or less the same price for apartment units in Amwaj.

In order to keep interest in units, areas such as Juffair and Reef Island had to adjust their price strategies, offering units at a lower cost. Advertised median prices for Juffair and Reef Island, have recorded a price decrease, to keep renters’ interested in the units in those areas.

Apartments for rent: *Median Monthly Rental Price			
Community	H1-2021	H1-2022	% difference
Adliya	393	350	-11%
Al Burhama	320	300	-6%
Amwaj Avenue	500	450	-10%
Amwaj Islands	500	499	0%
Bahrain Bay	700	650	-7%
Budaiya	425	350	-18%
Busaiteen	350	350	0%
Dilmunia Island	500	550	10%
Durrat Marina	400	450	13%
Exhibition Road	320	325	2%
Galali	290	230	-21%
Hamala	650	600	-8%
Hidd	300	300	0%

Apartments for rent: *Median Monthly Rental Price			
Community	H1-2021	H1-2022	% difference
Hooraa	340	320	-6%
Janabiya	420	420	0%
Juffair	450	425	-6%
Mahooz	425	400	-6%
Manama	500	500	0%
Reef Island	843	750	-11%
Saar	400	400	0%
Salmaniya	300	300	0%
Sanabis	365	400	10%
Sanad	290	300	3%
Seef	500	500	0%
Sugaya	380	350	-8%
Tala Island	500	550	10%
The Lagoon	500	490	-2%
Tubli	300	280	-7%
Umm Al Hassam	450	450	0%
Zinj	380	350	-8%

PROPERTIES FOR RENT VILLAS

While more and more villas are ready for handover, and the number of units increases in the market, villas continue to be in high demand. However, with that being said, it has caused prices to fluctuate, and when comparing January to June 2021 with January to June 2022, we can see that prices were unable to find a stable trend.

A significant price decrease was recorded in areas such as West Riffa, Umm Al Hassam, and Mahooz (BHD 1,300 to BHD 1,000, BHD 1,100 to BHD 950 and BHD 1,000 to BHD 800 respectively), which is most likely due to a shift in strategy,

as neighbouring areas were able to offer more affordable units, which has caused both nationals and expatriates to make the move to those areas, which include, Zinj, Hooraa and Saar, for example.

Tubli, specifically, has handed over a large variety of sea view villas at affordable rates. The location is strategic as it is easily accessible to the central part of Bahrain, and offers various facilities, and we can see that no price change has been recorded for Tubli when comparing H1 2021 and H1 2022.

Villas for rent: *Median Monthly Rental Price			
Community	H1-2021	H1-2022	% difference
A'Ali	700	700	0%
Adliya	950	975	3%
Al Jasra	1,350	1,300	-4%
Al Marsa Floating City	1,000	930	-7%
Amwaj Avenue	1,350	1,350	0%
Amwaj Islands	1,350	1,400	4%
Amwaj Marina	1,600	1,500	-6%
Arad	1,000	1,000	0%
Barbar	800	850	6%
Budaiya	750	800	7%
Busaiteen	900	950	6%
Diyar Al Muharraq	700	699	0%
Durrat Al Bahrain	1,800	2,000	11%
Galali	850	850	0%
Hamala	1,200	1,200	0%
Hidd	900	900	0%
Janabiya	900	900	0%
Jannusan	850	800	-6%
Juffair	1,035	1,200	16%
Jurdab	600	550	-8%

Villas for rent: *Median Monthly Rental Price

Community	H1-2021	H1-2022	% difference
Mahooz	1,000	800	-20%
North Riffa	875	900	3%
Riffa Views	1,125	1,200	7%
Saar	900	900	0%
Salmaniya	700	650	-7%
Sanad	600	600	0%
Saraya 2	800	800	0%
Saraya al Bahar	1,600	1,600	0%
Sehla	700	700	0%
Tala Island	1,600	1,700	6%
The Lagoon	1,500	1,400	-7%
Tubli	1,000	1,000	0%
Umm Al Hassam	1,100	950	-14%
West Riffa	1,300	1,000	-23%
Zinj	1,000	950	-5%

PROPERTIES FOR SALE
APARTMENTS

Bahrain continues to witness demand when it comes to the sale market, and although pricing seems to be fluctuating in some areas, more and more neighbourhoods in Bahrain offering apartments for sale have been able to find a stable price index over the past two years.

With that said, our records show price increases per sqm in the advertised prices when comparing January to June 2021 and January to June 2022, in areas such as Juffair (BHD 658 BHD per sqm, to BHD 694 per sqm), Diyar Al Muharraq (from BHD 1,113 per sqm to BHD 1,225 per sqm) and in Reef Island (from BHD 913 per sqm to BHD 980 per sqm) and this is mainly due to more and more units being injected into these areas. Newer units entering the market always come with a higher

price tag, and slowly find a more stable pricing strategy over time.

Congestion and crowding are most likely the reason for the price decrease in advertised prices per sqm in Isa Town, which recorded a price decrease from BHD 453 per sqm to BHD 406 per sqm, as landlords, owners and developers try to keep investors' interest in the area alive. Bahrain Bay, which also recorded a price decrease in advertised median price per sqm, from BHD 1,310 per sqm to BHD 1,284 per sqm when comparing H1 of 2021 and H1 of 2022, has also tried to find more stable and reasonable pricing strategies for the units on offer.

Apartments for sale: *Median Sales Price Per SQM

Community	H1-2021	H1-2022	% difference
Amwaj Islands	617	600	-3%
Bahrain Bay	1,319	1,284	-3%
Busaiteen	697	722	4%
Dilmunia Island	681	706	4%
Diyar Al Muharraq	1,113	1,225	10%
Durrat Marina	725	716	-1%
Hidd	408	417	2%
Hoora	731	705	-4%
Isa Town	453	406	-10%
Janabiya	469	489	4%
Juffair	658	694	6%
Manama	743	716	-4%
Reef Island	913	980	7%
Riffa	415	417	0%
Saar	492	550	12%
Sanad	472	441	-7%
Seef	820	811	-1%

PROPERTIES FOR SALE
VILLAS

Over the past few years, we have seen an increased demand when it comes to villas for sale in Bahrain, and this is mainly due to the number of new projects that offer high quality units, which come with a number of luxury amenities. With both local and foreign investment at an all time high, demand continues to be recorded in a number of areas, such as Amwaj Islands, Diyar Al Muharraq and Saar.

This has resulted in price fluctuations across the market, as more and more units and projects are ready for handover. Once again, newer units come with high price tags, which could be the reason behind the recorded price increase for Diyar Al Muharraq (from BHD 630 per sqm to BHD 667 per sqm and Durrat Al Bahrain (BHD 460 per sqm to BHD 500 per sqm) when comparing January to June 2021 with January to June 2022.

Arad is an area that witnessed a significant decrease in price, from BHD 611 per sqm to BHD 509 per sqm, in the same time frame, which is most likely due to a shift in pricing strategy, as sales were slow in the area which witnessed a number of new projects being completed at the start of the year.

Villas for sale: *Median Sales Price Per SQM			
Community	H1-2021	H1-2022	% difference
Amwaj Islands	742	741	0%
Arad	611	509	-17%
Bani Jamra	585	622	6%
Barbar	544	582	7%
Bu Quwah	500	590	18%
Busaiteen	662	636	-4%
Diyar Al Muharraq	630	667	6%
Durrat Al Bahrain	460	500	9%
Galali	614	613	0%
Hamad Town	428	434	1%
Hamala	567	593	5%
Hidd	623	658	6%
Janabiya	594	617	4%

Villas for sale: *Median Sales Price Per SQM

Community	H1-2021	H1-2022	% difference
Al Malkiyah	545	568	4%
Riffa	488	523	7%
Saar	572	589	3%
Sanad	587	552	-6%
Tubli	548	596	9%

- *Prices are in BHD
- Rental prices are based on the median monthly rental prices displayed on Property Finder.
 - Sale prices are based on the median price per SQM as displayed on Property Finder.
 - The data is based on the advertised prices on propertyfinder.bh and may not reflect the actual transacted price.

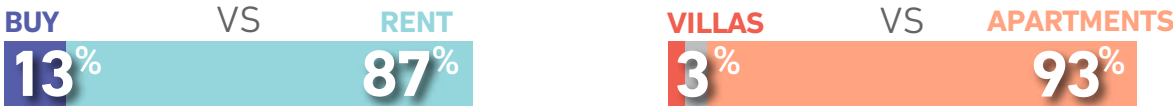
Sources:
Real Estate Regulatory Agency (RERA)
Survey and Land Registration Bureau
Bahrain Economic Development Board
CBRE



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.

JUFFAIR



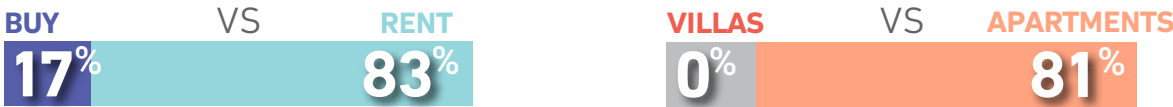
AMWAJ ISLANDS



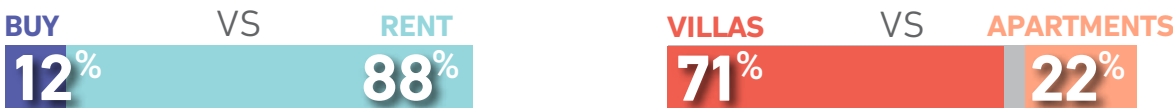
MANAMA



SEEF



SAAR



JANABIYA



DIYAR AL MUHARRAQ



HIDD



HAMALA



DILMUNIA ISLAND



Based on the number of listings on propertyfinder.bh between January - June 2022

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.

JUFFAIR



MANAMA



AMWAJ ISLANDS



SAAR



SEEF



RIFFA



HIDD



DIYAR AL MUHARRAQ



JANABIYA



BUSAITEEN



Based on the number of listings and searches made on propertyfinder.bh between January - June 2022

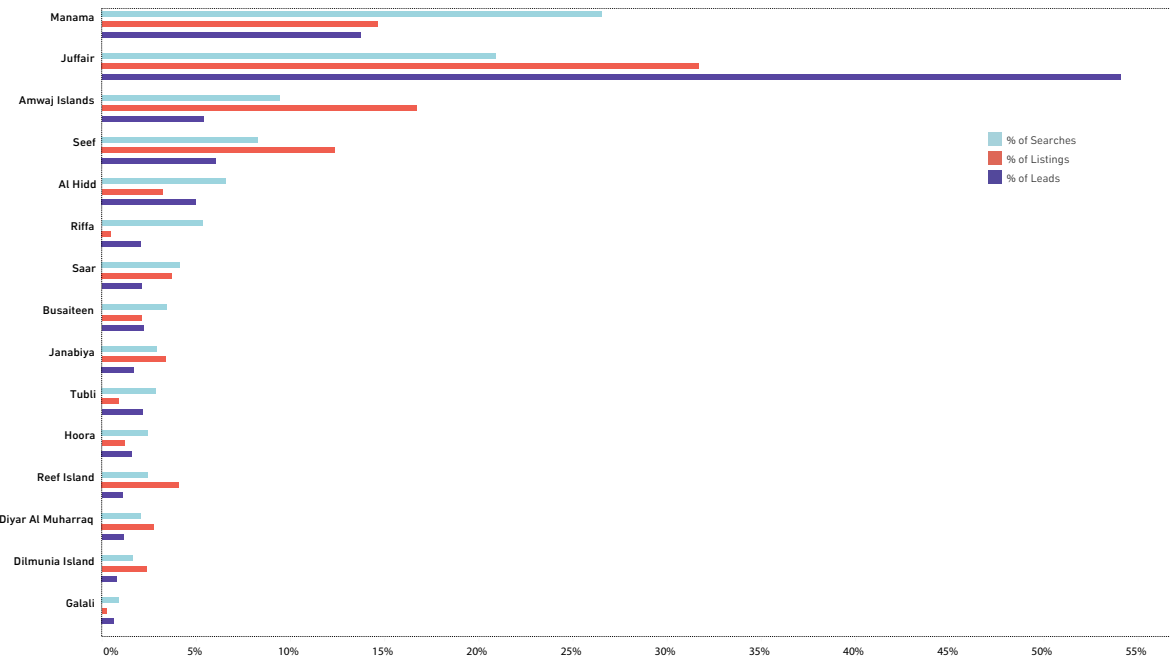
COMMUNITY SPOTLIGHT

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BY NUMBER OF BEDROOMS
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OF LEADS - page 29

MOST POPULAR AREAS

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

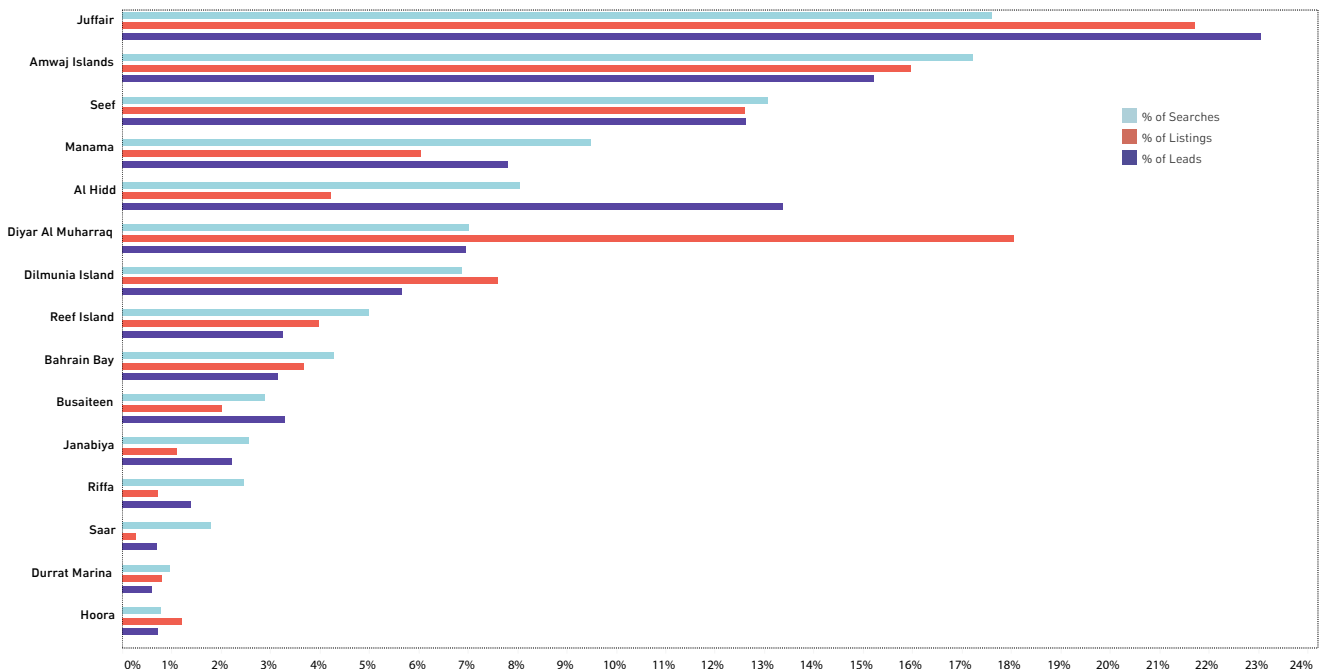
APARTMENTS FOR RENT



Based on the number of searches, listings and leads recorded on propertyfinder.bh between January and June 2022.

MOST POPULAR AREAS

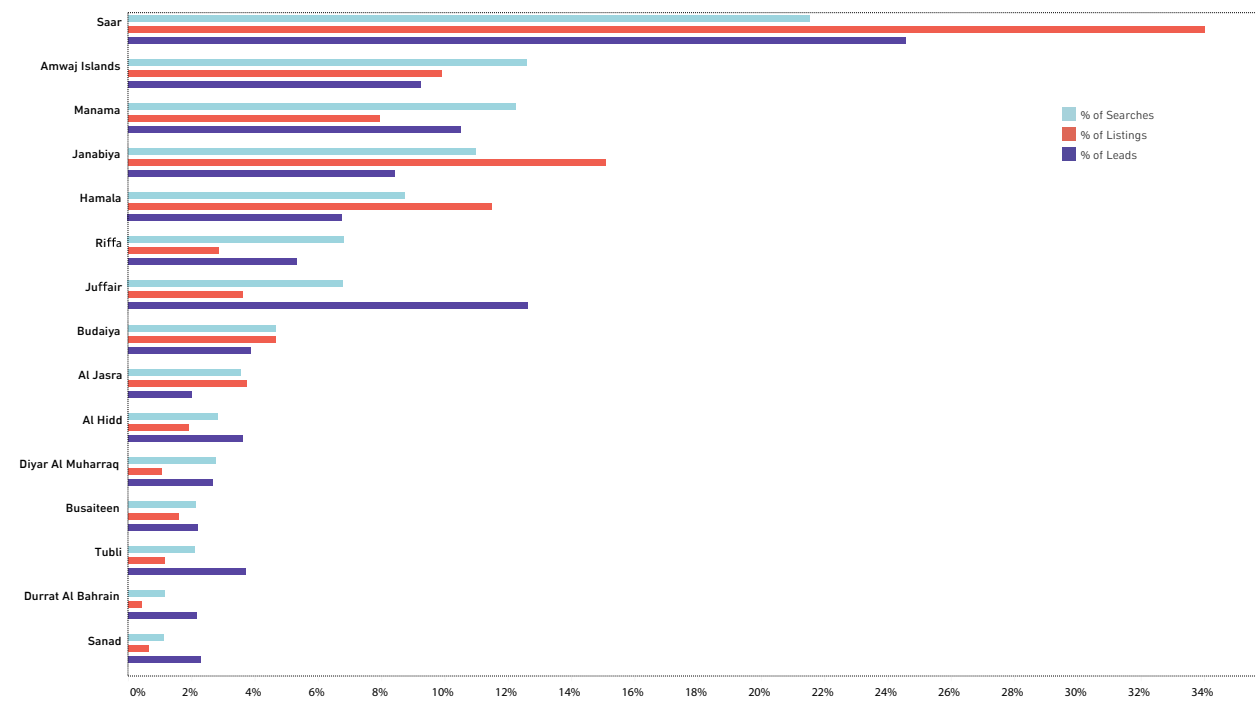
APARTMENTS FOR SALE



Based on the number of searches, listings and leads recorded on propertyfinder.bh between January and June 2022.

MOST POPULAR AREAS

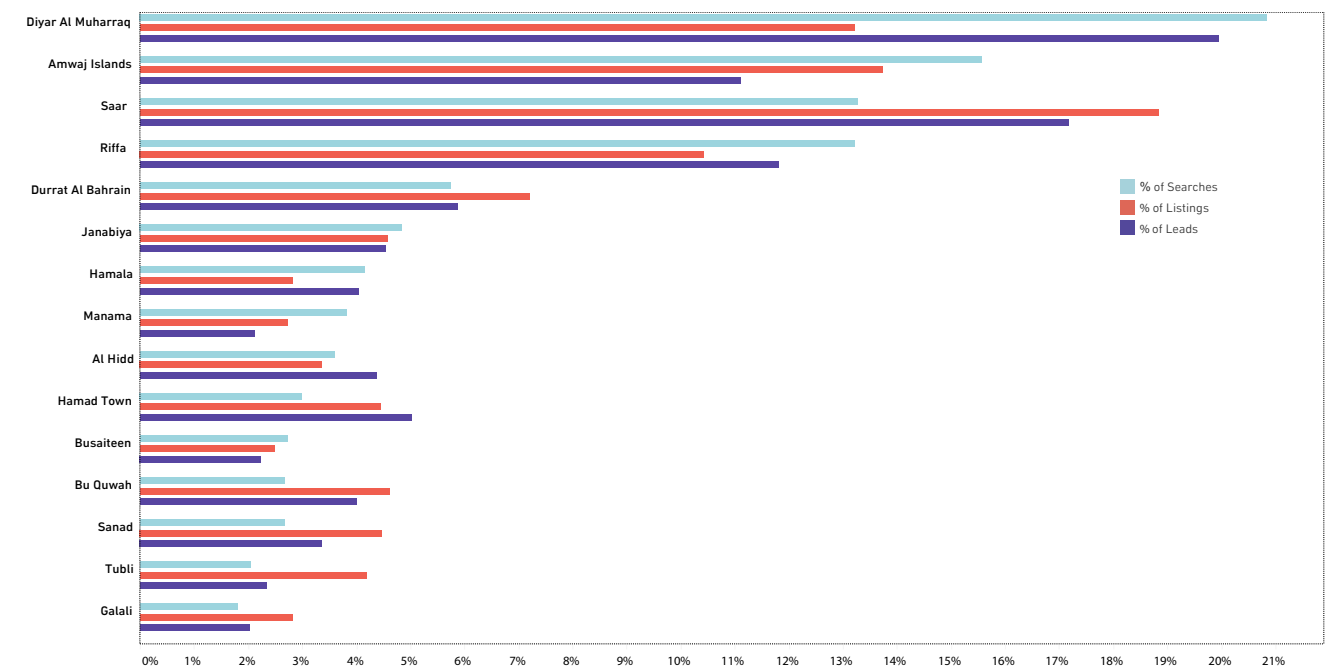
VILLAS FOR RENT



Based on the number of searches, listings and leads recorded on propertyfinder.bh between January and June 2022

MOST POPULAR AREAS

VILLAS FOR SALE



Based on the number of searches, listings and leads recorded on propertyfinder.bh between January and June 2022

AFFORDABLE SNIPPETS

Villa or apartment, here are the most affordable areas in Bahrain today.

Apartments for rent (monthly rate)

- | | | | | |
|---|--|---|---|---|
| 1 Gudaibiya
Average price
BHD 261 | 2 Bu Ghazal
Average price
BHD 284 | 3 Gufool
Average price
BHD 298 | 4 Karbabad
Average price
BHD 309 | 5 Al Burhama
Average price
BHD 313 |
| 6 Bu Kowarah
Average price
BHD 315 | 7 Zinj
Average price
BHD 366 | | | |

Villas for rent (monthly rate)

- | | | | |
|---|---|--|---|
| 1 Al Burhama
Average price
BHD 608 | 2 Al Noor
Average price
BHD 651 | 3 Sarat
Average price
BHD 686 | 4 Al Sherooq
Average price
BHD 706 |
| 5 Marassi Al Bahrain
Average price
747 BHD | 6 Karbabad
Average price
BHD 800 | | |

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. <u>Manama</u> | 6. <u>Hidd</u> |
| 2. <u>Juffair</u> | 7. <u>Saar</u> |
| 3. <u>Seef</u> | 8. <u>Bahrain Bay</u> |
| 4. <u>Busaiteen</u> | 9. <u>Diyar Al Muharraq</u> |
| 5. <u>Amwaj Islands</u> | 10. <u>Tubli</u> |



One-bedroom:

- | | |
|-------------------------|-----------------------------|
| 1. <u>Manama</u> | 6. <u>Diyar Al Muharraq</u> |
| 2. <u>Al Juffair</u> | 7. <u>Saar</u> |
| 3. <u>Seef</u> | 8. <u>Dilmunia Island</u> |
| 4. <u>Amwaj Islands</u> | 9. <u>Busaiteen</u> |
| 5. <u>Hidd</u> | 10. <u>Bahrain Bay</u> |



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. Hidd

- 6. Saar
- 7. Diyar Al Muharraq
- 8. Janabiya
- 9. Dilmunia Island
- 10. Reef Island



Four-bedroom:

- 1. Saar
- 2. Manama
- 3. Amwaj Islands
- 4. Janabiya
- 5. Juffair

- 6. Hamala
- 7. Riffa
- 8. Diyar Al Muharraq
- 9. Hidd
- 10. Reef Island



Three-bedroom:

- 1. Manama
- 2. Juffair
- 3. Amwaj Islands
- 4. Saar
- 5. Janabiya

- 6. Seef
- 7. Hidd
- 8. Reef Island
- 9. Riffa
- 10. Hamala



Five-bedroom:

- 1. Saar
- 2. Riffa
- 3. Amwaj Islands
- 4. Janabiya
- 5. Manama

- 6. Diyar Al Muharraq
- 7. Hamala
- 8. Durrat Al Bahrain
- 9. Juffair
- 10. Barbar

Based on the number of searches on propertyfinder.bh from January - June 2022

TOP 20 AREAS BY NUMBER OF LEADS

Leads = Demand!

Take a look at the top 20 areas by number of leads for rental and sale units in Bahrain.

RENT

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

SALE

1. Amwaj Islands
2. Juffair
3. Diyar Al Muharra
4. Hidd
5. Seef
6. Saar
7. Manama
8. Riffa
9. Dilmunia Island
10. Janabiya
11. Busaiteen
12. Hamala
13. Sanad
14. Hamad Town
15. Durrat Al Bahrain
16. Reef Island
17. Bahrain Bay
18. Arad
19. Tubli
20. Bu Quwah

Based on the number of enquiries and listings on propertyfinder.bh from January – June 2022.

CONTRIBUTORS

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CHANGING TRENDS IN BAHRAIN'S REAL ESTATE MARKET



Adeel Ajaz
Managing Director
Bayut Properties

Over the last couple of decades, The Kingdom of Bahrain's real estate market has seen many changes, from Adliya being the preferred location for many expats residing in the Kingdom in the eighties to Juffair becoming the number one choice in current times.

The eighties saw the areas of Adliya, Mahooz, Zinj, and Um Al Hasam become the most popular choice among many expatriates, as it is a central location and home to many popular restaurants, supermarkets such as Al-Jazira Supermarket, and the very popular British Club that made Adliya the obvious choice for many.

The trend changed later on as Saar came to prominence, and many expat families started relocating and looking for community living in compounds, which featured large swimming pools, private gardens, party halls, and tennis courts. Having its location very close to the Saudi Causeway made it an attractive proposition to those working in the Eastern Province of Saudi Arabia, as it made it easier for their daily commute.

The last decade has seen the Juffair become the number one destination for smaller families and couples, with its many attractions such-as Malls featuring cinemas, supermarkets, and coffee shops, together and the emergence of the new state-of-the-art towers which don't require you to set a foot out as it covers everything from grocery stores to tennis courts, business centres, and kids play areas, as well as it's a prominent location which is easily accessible. During the pandemic and as most travel and other recreation activities came to a halt the demand for villas in areas like Janabiya, Hamala, Jasra, and Saar soared. As social distancing prompted many families to look for properties with more amenities such as private pools, larger private gardens, and bigger space in general, this created a demand for these specific properties to ease living in times of heavy restrictions.

New areas and development projects like Diyar Al-Muharraq and Dilmunia will play a major role in the Kingdom's real estate market in the coming years. They offer a unique lifestyle that provides direct

« **Social distancing prompted many families to look for properties with more amenities such as private pools, larger private gardens, and bigger space in general. »**

beach, mall accessibility, excellent infrastructure, private schools, public parks, and a unique traditional indoor Souq. New area developments have created a high-end luxury feel in the form of apartments, villas, and beach front villas for both locals and expats available to buy or rent. These locations offer a quiet secluded environment, and provide tenants with all their necessary needs as well as additional entertainment and luxury facilities. Such areas prove to be very attractive to the newer generation of locals who like to live on the go and co-exist in blended communities at work, home and for their socialising.

The emergence of these new developments and residency plans sure promises to be an exciting period for the Kingdom's real estate market and future trends.



THE IMPACT OF EXPATS ON THE REAL ESTATE MARKET



Qusai Aizouki
Managing Director
BCS Management Co.

The real estate market in Bahrain is highly dependent on expatriates, especially in terms of leasing, because Bahraini citizens prefer to live in different areas than what foreigners would choose, such as Juffair and Amwaj, but tend to buy in other areas relevant to them. The generous government of Bahrain offers private loans to citizens, such as housing benefits, and the government's tireless efforts to secure housing for Bahrainis have significantly reduced Bahrainis' demand for rent.

With a quick look at the real estate market in Bahrain, we can find an increase in supply due to the continuation of the construction of new projects and the end of the crisis of some stalled projects, but on the contrary, we notice a significant decrease in demand for real estate due to the departure of a large number of expatriates from the Kingdom over the past three years. This caused a decrease in the rental value by more than 30 percent in some areas, and thus a decrease in the value of the real estate, especially the old ones, by 40 percent in some areas.

According to reports issued by the General Authority for Social Insurance in Bahrain, the number of foreigners registered for insurance decreased by 17 percent from the first quarter of 2018 to the fourth quarter of 2021 (from 503,791 to 419,438) due to several factors, most notably the pandemic, which greatly affected the expatriates, as a large part of them lost their jobs or preferred to spend the period of closure that swept the entire world in their original homeland. The other reason for the departure of expatriates is the high cost of living compared to income, especially the significant increase in basic facilities such as electricity and water, in addition to the application of the value-added tax to goods and services, and the government's adoption of a policy to employ local citizens to reduce the unemployment rate in the Kingdom.

Stagnation in the real estate sector in Bahrain, and the changing the lifestyle

Families have started to move from larger housing units to smaller units and are away from committing to long-term lease contracts for fear of the unknown in light of the economic decline.

The real estate investment sector has witnessed great pressure during the pandemic, especially with the

« **"The real estate market consists of several sections, including selling, buying, leasing and joint real estate, and if one of them is affected, they are all affected at once. »**

increasing number of expatriates leaving the Kingdom, which resulted in more vacant apartments in expatriate neighbourhoods such as Juffair and Amwaj.

The real estate market consists of several sections, including selling, buying, leasing and joint real estate, and if one of them is affected, they are all affected at once, even brokers, investors and customers are affected by supply and demand. Pre-economic decline, properties of various types were displayed for a period not exceeding two months to be sold or rented, but in the past few years the period has extended to 6 months and may reach a whole year in some cases, and we find many buildings in Juffair or Amwaj with an operating rate of not more than 50 percent. As for the joint properties that are subject to the owners' union system, the owner is finding it difficult to pay the union fees because the property is devoid of tenants and therefore the lack of income from the invested property, creates many financial problems on the owner's behalf.

By 2022, real estate agents expected the market to resume its activity, although a recovery period needs at least 2-5 years, as the COVID-19 epidemic had a clear impact in reducing movement and lowering real estate prices in freehold areas after many foreigners preferred to return to their countries. The lack of non-Bahraini (foreign) investors, as well as the decline of expatriates wishing to own property due to the weak economic feasibility of investing, and the fear of a decrease in the price over time have all made a serious impact on the real estate market in Bahrain.

BAHRAIN'S RENTAL MARKET AND ITS CHALLENGES

Globally, markets undergo a constant cycle of changes with challenges to overcome and solutions to brainstorm. The same can be said for Bahrain's rental market which is currently facing its own challenges and solutions are needed for them. This article covers three important challenges which are: Covid-19, EWA bill rise, and the resettling of tenants in Saudi Arabia. A couple of solutions will also be mentioned along the way.

The global pandemic (also known as Covid-19) is a great challenge faced by real estate companies. With jobs being made redundant causing tenants to lose their jobs or having their salaries cut out, landlords are receiving less demand on rental services as tenants try to save their earnings more during the pandemic. With tenants cutting their costs, they have also started to shift to lower rent properties. This translates to significantly lower revenues for rental companies and therefore less profits for them to earn. Covid-19 in addition caused restrictions on traveling, thus the number of tenants arriving to Bahrain became very low meaning even less revenue for rental companies. The global pandemic overall lead to a noticeable decline of revenues and activities from the rental companies in Bahrain.

The rise in electricity and water bills in Bahrain is another challenge that rental companies are facing. Started in 2015, the rise in bills have now reached to more than 500 BD monthly which can equal or even exceed the rent of some properties in the rental market. Therefore, tenants have started to resettle in other countries with their families, especially in other gulf countries like Saudi Arabia just to avoid paying the high EWA bills. Some tenants opted shifting from large to small villas or switching from a villa to an apartment. Others went further out in order to cope with the bill rise by sharing their properties with others, having split a/c instead of central a/c, or having small gardens for less water bills. Recently, new trend arose where tenants prefer rent with inclusive water and electricity even with a limit on them. Landlords of rental companies would therefore attract more tenants if they offered more properties with inclusive rent.



Hussain Alsebea
Managing Director
Beyond Best

« Recently, a new trend arose where tenants prefer to rent with inclusive water and electricity even with a limit on them. »

Yet another rising challenge faced by Bahrain's rental market is tenants working in Saudi Arabia shifting their families to live there. The reason for this change is due to the alteration in Saudi Arabia's vision where there has been an increased encouragement on previously banned activities such as cinemas, women having driver's licenses, theme parks and other activities. Before, tenants working in Saudi Arabia would bring their families to live in Bahrain but with the continuous introduction of new activities in Saudi Arabia, more and more tenants are resettling their families there instead. This challenge has just recently surfaced with only a subtle lose of tenants to Saudi Arabia rental companies. Still, landlords in Bahraini rental companies are worried about losing their tenants to Saudi Arabia so a solution must be made in order to convince and attract tenants to continue letting their families stay in Bahrain.

These three main challenges faced by the Bahrain rental market can be solved with various methods and actions. One solution can be for landlords to consider these challenges then offer a more budget friendly rental price for tenants as well as higher quality facilities. Another solution is for the government to lower the electricity and water bills in order to encourage tenants to continue living in Bahrain without them having their spending cut to cope with the high bills. With continuous high efforts and a strong drive, rental companies in the Bahrain rental market will surely be able to overcome even the most difficult challenges.

“THE BEST TIME TO BUY PROPERTY IS NOW” UP TO WHAT EXTENT IS THIS CORRECT?

There are 2 types of buyers of real estate; end-users and investors. An end-user needs a property to fulfil one of his two basic and permanent human needs; “food & shelter” therefore, he buys property whenever one of his needs arises. When focusing on investors, there are two key questions to answer?

- 1- What are you waiting for?
- 2- What are your other options?

Let us start with Question 1. What are you waiting for? Do you have any idea what is going to happen tomorrow? In the medium term? In the long term?

Most investors depend on one of the following 2 factors

- Past performance.

That is absolutely unwise in my opinion. For example, If you buy a rented apartment that has generated a net ROI of 10%, this in no way means that the minute you buy it will generate the same ROI. Actually, the tenant might leave any minute and you might be left with a negative ROI, no income and an annual property management fee to pay. Likewise, if you buy a plot of land at BD 20 per sqft based on the fact that it was BD 18 per sqft a year ago and appreciated by 11.11% over 12 months, this past growth does not provide any guarantee, nor any indication towards what will happen after you buy the plot. Growth does not duplicate itself systematically.

- Professional advice from the so-called “experts”.

Back in my early days in business, I learnt that a true investment professional never gives advice, he gives information and educates only. No expert can predict what is going to happen even tomorrow. Lots of variables can change the game. The world is full of uncertainties. Then what are you waiting for?

Moving on to Question 2. What are your other options currently?

There are three uses of money:

- **Spend it.** Convert it into goods or services intended for consumption.



Mounir Kallel
CEO
BlackSwan

« The worst scenario of real estate investment is much better than saving your money. When you buy real estate you own an asset that is not perishable, that will never be outdated and that generates passive income. »

- **Save it.** Place it as cash in any of the “liquid” instruments.

- **Invest it.** Convert cash into a different unit, equity or commodity in the hope of reconverting it back into cash at a higher value.

The best definition of saving is “deferred spending”. Saving money is not meant as a hobby in itself, such as collecting stamps – even though a few do that. Money is saved to be spent in the future. The biggest concern here is that if the inflation, which means the increase in the cost of buying things – is higher than the returns of interest on your savings account then you are losing the actual purchasing value of your saved money. For example, if you save BD 1,000 that is 50 notes of BD 20 on 1st January and earn an interest of 2% per annum, the paper value of your money will increase on 31st December and you will have 51 notes of BD 20, which is BD 1,020 but, this is very much misleading as your BD 1,020 buys you less than your BD 1,000 12 months earlier simply because inflation was at 6% therefore, the real value of your savings has dwindled. In the 1980s it was profitable to save at banks as the interest rates were above 12% p.a. and the inflation was well below. But, nowadays, in every savings account, there is a “rat” that gnaws at the value of your savings. The size of this rat varies from one account to another, sometimes it becomes a nutria.

Now let us take a practical example. You and your brother have BD 32,000 each and you decided to invest and your brother, being scared and having a low-risk tolerance decided to save his money in his

bank. You decided to buy a small, vacant studio in a new building.

- At the end of the first year and despite all the efforts you could not get a tenant and to make it worse you had to pay BD 270 as an annual service charge. Your brother reprimanded you for your "ignorance" as his money grew by 2% and his bank statement showed BD 32,640.
- At the end of year 2, your studio remained vacant and yet again you had to pay the service charge which means your BD 32,000 investment shrank by BD 540, equivalent to 1.68% less whereas your brother made another 2% cumulative interest ending up with BD 33,292.800. What a silly decision buying this studio proved to be, then.
- Eventually, after 2 long years, your flat got rented for only BD 250 gross, minus EWA and internet you ended up with an average of BD 220 per month thus, a total of BD 2,640 and after paying the 1-month brokerage fee and the annual service charge you ended up with BD 2,120 net in your pocket.

Now, let us do the math at the end of the third year:

- **You:** $32,000 - 270 - 270 + 2,120 = \text{BD } 33,580$
- **Your brother:** after 3 years he had BD 33,958

Let us see what happens after the 4th year bearing in mind that the flat was vacant for 2 full years on the one hand and that the bank interest rate at these small amounts was 2% which is higher than what banks currently offer.

- Your net earnings are BD 2,370 total of BD 35,950
- Your brother's new earnings are BD 679, a total of BD 34,637

Shall I continue to calculate the end of year 5?

Conclusions:

- The worst scenario of real estate investment is much better than saving your money.
- When you buy real estate you own an asset that is not perishable, that will never be outdated and that generates passive income
- The best time to buy real estate is always NOW whatever the offer. The main argument here is that the alternatives are not as secure and as reliable in the medium to long term.

IMPACT OF THE GOLDEN RESIDENCY VISA ON BAHRAIN'S REAL ESTATE MARKET



Dr. Maher A. Aziz Al Shaer

Managing Director
Eagle Hills Diyar

In October 2021, the Kingdom of Bahrain launched a new national economic growth and fiscal balance plan, which was followed by the launch of the Golden Residency Visa program in February 2022 as part of a plan that works to further contribute towards enhancing the Kingdom's economy.

The Golden Residency Visa was the essential next step to support the government's post-pandemic recovery plan and works by attracting foreign investors into the Kingdom, rewarding existing investors and long-term residents who have significantly contributed to the Kingdom's growth over the years.

The Visa provides flexible and longer-duration visas to foreign investors and entrepreneurs who have been residents of the Kingdom for over a certain number of years, or those who own properties valued at above a certain amount. The Visa also acts as a retainer, allowing the Kingdom of Bahrain to become home to highly-talented individuals who have considered Bahrain their home for several years, adding tremendous value to the local economy.

Through the introduction of this Visa, the Kingdom opened its doors to further enhance various sectors, especially the real estate sector, which received the largest share of attention. With several qualifications required to attain the visa, the drive to invest in the Kingdom's real estate peaked, resulting in a sudden increase in real estate transactions across Bahrain. As real estate developers, Marassi Al Bahrain witnessed a sudden surge in the sales of our projects, resulting in one of our projects, Marassi Shores, completely selling out.

The launch of the Golden Residency Visa has been a serious game changer, offering the Kingdom a key competitive advantage against other markets. Aside from the above-the-line benefits that investors gain from residing in the Kingdom; from its business-friendly nature to its rich culture, the Golden Residency Visa also allows investors to invest in a fast-growing economy, providing them with an opportunity to grow and evolve with it.

Following the high demand witnessed by the real estate market from the launch of the Golden Residency Visa,

« The launch of the Golden Residency Visa has been a serious game changer, offering the Kingdom a key competitive advantage against other markets. »

Marassi Al Bahrain has played an essential role in attracting additional investors to the kingdom. The ideal development has been continuously contributing to the sustainable economic growth of the Kingdom of Bahrain. Being a part of Diyar Al Muharraq, a progressive master-planned city, the Marassi Al Bahrain development offers investors a diversified portfolio of residential projects comprised of quality homes and high-end shopping, leisure and entertainment outlets to cater to the needs of the local and regional market.

Throughout the years, Marassi has attracted significant investments from across the region, stimulating business and economic activity in the local retail and real estate sectors. As demand continues to increase following the launch of the Golden Residency Visa, we plan to leverage this opportunity to grow and further expand our project offerings by adding facilities catered to meet the fast-evolving current market needs. Having said that, we are also focused on developing our existing projects and further enhancing the Kingdom's existing portfolio to match the sector's rapid development.

Bahrain has long been known for its well-established business infrastructure, which has continuously been a major factor in attracting investors to the Kingdom. As we witness the real estate sector's continuous growth and development, we are motivated to be a part of its bright journey towards further growth, expanding our reach to support the Kingdom's fast-growing business environment.



PROPTech AND HOW IT IS INFLUENCING THE REAL ESTATE MARKET

“It is not the strongest of the species that survives, nor the most intelligent. It is the one most adaptable to change.” – Charles Darwin

Technology has become an integral part of our everyday lives more than ever and it is only a matter of time before traditional industries like the real estate market get affected. Regardless of the industry, digital transformation continues to alter the economies and markets alike; forcing businesses to reinvent themselves to be relevant.

While one might have noticed already the influence and impact of digitalization in sectors like media, telecom, and others. The change started during the pandemic in the real estate sector and it is accelerated as most businesses realize the value of proptech and its profound benefits.

What is PropTech?

As Forbes defines it, proptech is “businesses using technology to disrupt and improve the way we buy, rent, sell, design, construct, and manage residential and commercial property.” In simpler words, it is the use of technology in real estate.

Why PropTech?

Housing, whether renting or buying, is the most important item of expenditure for people and one of their central concerns. People today have a constant desire to move into better, more updated spaces that include the latest technology, or what is now termed as the “digital occupant experience.”

This ‘Digital Occupant Experience’ is not just limited to the Internet of Things(IoT) home devices ie. control of lights, temperature or apartment access from their mobile phones or some other digital channel, but creating an experience across a range of functions including property listing, rental services, proposals, mortgage applications, contracts, virtual/augmented reality, and property management. Overall today’s customer wants a seamless experience across each touchpoint.

Leveraging PropTech capabilities

Virtual Reality – VR walk-throughs are slowly taking over the real estate market, and enabling real estate agents to showcase properties that aren’t built or are under construction, which was earlier done through brochures with rendered images and then left to customers’ imagination. While with VR tech, customers can see the look



Sravan Kumar

Sr. Digital Marketing Officer
Fontana Real Estate

« Housing, whether renting or buying, is the most important item of expenditure for people and one of their central concerns. People today have a constant desire to move into better, more updated spaces that include the latest technology, or what is now termed as the “digital occupant experience.” »

and feel of the properties virtually and take decisions faster.

Contract Automation Software – One of the cumbersome processes from a customer’s point of view is the contract process. With document and contract automation software, the process can be made seamless and save all important documents in the cloud, avoiding piles of paper.

Smart access control – Prop technology solutions like touchless access control systems, contactless visitor management, smart locks, and cloud-based security systems, are reducing in-person interactions and at the same time enabling the customer to manage things over a digital device.

Smart home device technology – This technology helps predict the behaviour of equipment, lift system, air conditioning, and chiller systems as per current use and helps data-driven maintenance decisions. Data-driven decisions- Fragmented data is ineffective, but PropTech in real estate is changing the dynamics, paving the path for real-time data that can be used for making important decisions.

Therefore rather than considering Proptech as a threat, the industry needs to consider the impact that technology is likely to bring and adopt digital transformation to remain relevant and attractive to the customers. As the real estate environment evolves, customer requirements for technological features and increased flexibility will become standard.

THE FUTURE OF RESIDENTIAL TOWERS DEVELOPMENT: EXPERIENTIAL PROJECTS, WHERE PEOPLE LIVE, WORK AND PLAY

The real estate industry touches people’s daily lives, whether in education, health, or residential. As an evolving industry, with time, its consumers evolve as well.

Today the lasting effect of various factors on how people live, work, and play has impacted the overall real estate developments and residential development in particular.

The appeal of the quality of life that the residential developments offer, caters to the growing demand for higher living standards in the GCC. The future of residential developments of gated communities’ compounds, high-rise residential towers, and townhouses, can offer the very best in lifestyles and sustainability.

The developers of these residential projects have to consider the lifestyle they wish to create by forming a balance between growth and maintaining the community’s character, which is key to the planning of any development while considering the overall lifestyle.

The modern-day residential towers look and feel more like luxury five-star hotels than a typical home. Residential developers should consider a hospitality-inspired approach to remain competitive, by offering close attention to detail that can only be found in luxury 5-star hotels, while providing a customer-centric approach that delivers a high level of satisfaction to its residents.

Going beyond high-end amenities within the residential development, and offering what impacts people’s lives, such as the growing shift of remote jobs and work flexibility, is something that greatly impacted residential design concepts.

Considering the future of residential development, the developers must create a holistic lifestyle in a



Eng. Mohammed Abdulghaffar Al-Kooheji

Chief Executive Officer
Kooheji Development

« By creating personal living spaces and building amenities that attend to their needs for both business and pleasure, they ultimately support the neighbourhood character for community cohesion. »

place where people can live, work, and play. By creating personal living spaces and building amenities that attend to their needs for both business and pleasure, they ultimately support the neighbourhood character for community cohesion. Achieving excellence in real-estate major projects such as high-rise residential towers through creating shared amenities and luxury hospitality services has become essential for such developments to succeed. Such projects play a huge role in transforming people’s lifestyles, and only projects that are well developed and maintained with these considerations in mind can truly make a difference to both the residences and the communities.

The process in which customer insights are at the centre of both the design and initial stages of the residential development to have digital technologies embedded up front into the design and customer experience factored in, has proven to be the future of real estate development.

A developer with a customer-informed vision that defines the customer segments will enable them to serve and offer customers’ an experience with the development and showcase how it will look and feel beforehand. Research and market insights can help in understanding customers more deeply and help developers not only understand customers’ requirements or needs but also anticipate other functional and emotional needs and wants, to take important design decisions.

LEASE AND SELL YOUR PROPERTIES INSTANTLY

This article intends to guide property owners to lease or sell their property at the best price emphasizing the right strategies for the owners to make the offer and truly turn their investment into a profit-making asset.

Warren Buffet, the CEO of Berkshire Hathaway, puts the real estate perspective in the perfect way- "Price is what you pay, Value is what you get."

If you have a property to sell or put up for lease, you need to have a solid understanding of the real estate market trends to get the best value for your beloved possession. What does the Kingdom of Bahrain's real estate market look like now?

The direct connection to Saudi Arabia, affordable property prices, and the introduction of real estate regulatory authority rules have made Baharian one of the most investor-friendly markets for real estate business. According to the figures released by Bahrain's Survey and Land Registration Board, there has been a whopping 46% increase in Bahrain's real estate transactions value in 2021.

Out of the many real-estate revenue streams, rental yield seems to be the number one reason to make Bahrain a favourite investment destination in the middle east. The rental yields depend greatly on the availability of tenants. Around 70% of the BD443 million(per annum) worth rental market is ruled by expatriates.

Best ways to lease and sell properties in Bahrain

Even in a vibrant market like the Kingdom of Bahrain, turning real estate investment of any kind such as houses, villas, land into cash requires a strategy to strike the best deals. Here are some actionable tips you must consider to lease or sell your properties instantly:

1. Market with attractive images of the property

Marketing your property with images that make your property stand out is the most potent way to attract buyers or tenants. In fact, around 68% of agents emphasize the importance of professional real estate photography.

2. Find the right real estate agent

You may find all the information on the internet but still may not hit the bull's eye to strike the best deal. This is why you need the expertise of a real estate agent who understands the



Hazeeth Hari

Director of Sales & Operations
Mikal Real Estate

« Even in a vibrant market like the Kingdom of Bahrain, turning real estate investment of any kind such as houses, villas, land into cash requires a strategy to strike the best deals. »

ins and out of the property management business.

3. Create a buyer profile and pitch accordingly

A customer (buyer or tenant) persona helps you target the right people and hence sign a handsome deal instantly. It helps you create the perfect pitch that gets a positive response at the earliest.

4. List your property at an online classified property portal.

In this digital age, you need to go online no matter what. Your potential customer is online looking out for the best property options, so make sure you list your property at popular online property classified portals. This gives proper visibility and helps you market your property and connect to the right audience instantly.



DRESS YOUR PROPERTY FOR SUCCESS

When we go shopping for clothing what is our criteria? Predominately, appearance, it must look good; However, it must also feel comfortable and be appropriate for the occasion! When selecting clothing online the visual image is paramount! We look at the image and instinctively buy with our eyes.

So it should come as no surprise that it is also exactly how we initiate our search for the home of our dreams, be that to buy or to rent.

First, we go online shopping, scanning a myriad of images to assess if the property looks homely, and spacious, and ultimately if we can visualize ourselves living in it. When we're inspired, we call the agent!

We meet the agent to see the Property. We examine if it is clean, tidy, and well maintained. We then see ourselves relaxing on the sofa watching a movie, we can imagine sitting in that balcony chair and soaking up the amazing vista. We feel the comfort of the bed and appreciate the aesthetics of the bathroom and kitchen design. Alas, We buy!

In the environment of the post-COVID real estate market, there is a growing attention for details, home has become even more important than ever. We spend more time working from home, meetings friends at home and ultimately relaxing at home. This in conjunction with the constant new supply of modern properties makes it very challenging for owners of older units to rent/ sell their dwellings.

Do we like new? Yes! Do we prefer modern? possibly! Do we appreciate clean and well-maintained? Naturally!

When I meet my Landlords, I often ask them "Would you like to live here yourself"? "Do you see it as a homely place"?

It's time for owners of older properties to re-evaluate their strategies and secure their potential sources of income. Previously it was relatively simple. Invest in a property, furnish it, rent it and you get an 8-10% return. However, the years quickly pass and our properties age along with us. Generally, we are accustomed to maintaining our health and appearance. We do sports, take care of ourselves, ensuring we are well groomed and appropriately dressed for any occasion. But our rental properties are often left behind becoming tired and outdated.

In the current competitive market renting/selling our property



Anastasia Ageeva

Managing Director
RmR Contracting W.L.L

« In the current competitive market renting/selling our property at a reasonable price takes more than an enthusiastic estate agent. »

at a reasonable price takes more than an enthusiastic estate agent! So here are a few tips for the Landlords and homeowners to make their property attractive to potential tenants/buyers!

Decorate and stage your property

47% of buyer's agents said that staging affected most buyers' view of a home. Research also shows that 82% of buyer's agents say staging makes it easier for buyers/renters to visualize a property as their future home.

One of the most effective ways to create an inviting welcome is by setting up your dining table. Looks homely already! Add a vase with some pretty flowers. A few cushions on the sofa and a throw matching the shades of colours in your home design can bring the room together. It is true when they say interior design and real estate are a match made in heaven.

Plants

If you don't know how to keep them, it's better to go with high-quality artificial ones. IKEA and other shops have lovely options, and the shop assistants will be happy to help you choose and create the right ambience if you show them pictures of your property.

Declutter

Removing your/previous tenants' items will help viewers visualise your home. People feel uncomfortable seeing other people's stuff, finding it difficult to focus on the positive aspects of your property. However, storage is always important. The fewer things you have hidden away, the more storage you have to offer.

Maintain your property

Potential tenants and buyers are looking at your property as their future home. If they see cracks, dirty light switches, stains or broken items, they instantly deduce that you don't care for the property. Lastly, make sure your invest in

pest control and let the Tenant/Buyer select their pets, not everyone is keen on cockroaches!

AC

This is crucial in Bahrain! We all know how high EWA bills can become through AC usage, however, do run the AC when your agent is supposed to bring a client. Ensuring your viewers feel comfortable within the property during the visit goes towards creating a good impression of the place and helps them imagine living there. Ask your self “Would you like to find no AC in a hotel room when it’s 40 degrees outside”? Viewers form their opinion of your property at 93% from what they see and feel and only 7% from what they hear (verbal).

Update

Kitchen, bathrooms, wardrobes and doors – Ask yourself these questions: “Would You like to cook here”? “Would you like to take a shower in that bathroom”? Put yourself in your potential buyer’s shoes, and make them feel good about the property. A vacant property for 6 + months can sometimes cost you more than updating that kitchen and bathroom!

Brighten it up

There is plenty of darkness, doom and gloom in this world! A well-lit room makes everyone feel great and welcome! Consider additional lighting to create an ambiance to space at night or make use of mirrors to bounce available light back into the room!

Bedrooms

Arrange your bedrooms so the viewers can potentially see themselves resting there. Make sure mattresses are clean(if they had been used), but I would still recommend you replace them with new ones. Make the bed with new neutral bedding and decorate it with a bed runner and a few cushions. Everything should look neat, after all, “isn’t that how you like your room to be when you check into a hotel”?

If you have multiple bedrooms, it’s sensible to leave one of the bedrooms unfurnished. Viewers have various life scenarios, some may like to design it as a nursery, convert it to a home office, or create a kid’s playroom. The guiding principle is to create the potential scope for the viewer to design this bedroom to suit their needs. You will gain their trust and favour.

Outdoor Spaces

Garden or balcony space. Design them so viewers can see them as a place where they would like to spend and enjoy their time. A well-maintained garden increases the value and appeal of your property. Create shaded areas with comfortable seating, it is crucial in our local climate. Depending upon the size of a balcony, consider an awning along with a table and chairs and don’t forget ambient lighting.

Design your home with love, choose your furniture wisely to keep your property spacious and homely.

Help

Your agent has daily experience and knowledge of what viewers like and appreciate, talk to your agent. I am always happy to advise my clients on how to maximize the potential of their property based on my extensive expertise and knowledge of the property rental and sales markets. In addition, I also have a network of interior design professionals who can offer a range of services from full renovations to cosmetic decorating and staging your property, depending on your budget and requirements.

Help is available everywhere for the homeowner to achieve the most desirable look for their property. Most furniture shops will have an in-house designer to help you develop your initial concept. You can bring a few pictures of your property to get a few tips and hints directly when you are shopping. If your budget allows, hire a professional interior designer or decorator.

Photographs

Create the right visual impact and hire a professional photographer to take the best images for your agent to market your property. Your property needs to stand out from the rest, however, avoid creating a false impression as this only leads to a disappointing outcome for all.

Love your home and others will love it too! Dress it to impress!



HOSPITALITY IN THE RESIDENTIAL REAL ESTATE SECTOR

With signs of the pandemic stabilising back to normal and with the Government of Bahrain announcing one of the largest economic reform programmes – a multi-year national economic growth and fiscal balance plan, Bahrain’s economy is slowly on a recovery phase.

At the same time, various real estate sources have spotted encouraging signs in Bahrain’s real estate market. Records indicate momentum is picking up in the market, with both transactions in the sale and rental market increasing.

Hospitality in Real estate

Gone are those days when a resident used to just look for affordability, spaciousness, location, and brand of the property. Today’s residents are more clear in terms of their needs and requirements, whether it be when renting an apartment or buying it. With the ever-changing lifestyle and behaviour of the residents, property management and hospitality in real estate now play a pivotal role in the rental and sales market.

Changing customer behaviour

The pandemic and the lockdown period had a profound impact on people. During the health crisis, it was observed that the properties with open spaces, amenities and business centres were being rented out faster when compared to ones without. While today one can notice that this has resulted in a paradigm shift in customers’ behaviour when it comes to how they want to live and the kind of lifestyle they want to maintain.

Today’s customers demand an overall 360-degree hospitality experience in residential apartments with 5-star resort-style amenities and services. They prefer to live in spaces with greenery, a jogging track, a gym, co-working spaces and other amenities, which are maintained properly with reception, housekeeping services, maintenance and facility management. They want to experience a complete ‘resident lifecycle experience’, where all their end-to-end needs to meet the highest standard.

These behavioural changes will reshape consumer decision journeys and companies will need to adapt fast to stay competitive.



Dharmendra Venugopal

General Manager – Operations
Royal Ambassador – By Kooheji
Development

« Today’s customers demand an overall 360-degree hospitality experience in residential apartments with 5-star resort-style amenities and services. »

Hospitality – Birth to new market segments

These changes in customer behaviours and lifestyles have given birth to a new market segment, both in terms of the rental and sale market. Hospitality in the residential real estate sector has changed Bahrain and Saudi’s perceptions of home; today many localities are purchasing luxurious properties offering 5-star resort-style facilities and hospitality services to call their ‘weekend homes’. These so-called ‘weekend homes’ offer a complete package to the resident, making sure no stones are left unturned in presenting a ‘wow experience’ to the resident and in turn directly competing with hotels and resorts. These properties provide exclusivity, which hotels can’t offer, i.e; residents have an option to sign a contract to manage their property by a property management company that provides the highest standards.

Adapting and staying relevant

Today properties cannot afford to be just any other property and offer real estate as a space to stay. Rather property managers have to offer an experience along with the usual front desk, housekeeping services, maintenance, facility management, and amenities as a lifestyle package. Moving forward, hospitality services are bound to play a major role in attracting customers and maintaining a high occupancy ratio of the property.

While properties that understand and leverage these ever-evolving customer behavioural and lifestyle changes will boast a high occupancy ratio, or else the properties will become irrelevant sooner or later.

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

Manama, Juffair and Amwaj Island account for over 50 percent of all searches recorded for apartments for rent in Bahrain between January and June of 2022 and remain the most popular areas for those looking for rental units. In fact, the top searched area trends for that segment have not recorded any major changes when comparing H1 of 2022 with H2 of 2021.

APARTMENTS

LOCATION

- | | |
|-------------------------|------------------------------|
| <u>1. Manama</u> | <u>11. Hoorā</u> |
| <u>2. Al Juffair</u> | <u>12. Reef Island</u> |
| <u>3. Amwaj Islands</u> | <u>13. Diyar Al Muharraḡ</u> |
| <u>4. Seef</u> | <u>14. Dilmunia Island</u> |
| <u>5. Hidd</u> | <u>15. Sanad</u> |
| <u>6. Riffa</u> | <u>16. Galali</u> |
| <u>7. Saar</u> | <u>17. Budaiya</u> |
| <u>8. Busaiteen</u> | <u>18. Bahrain Bay</u> |
| <u>9. Janabiya</u> | <u>19. Hamala</u> |
| <u>10. Tubli</u> | <u>20. Isa Town</u> |

The same can be noted for the top searched areas when it comes to villas for rent in Bahrain, with Saar, Manama and Amwaj Islands, which are the top searched areas, commanding just over 40 percent of all searches in H1 of 2022. This comes as no surprise, as these neighbourhoods are known for being top choice when it comes to families and those looking for villa rentals.

VILLAS

LOCATION

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



Based on the number of searches on propertyfinder.bh from January - June 2022

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

Commanding almost 17 percent of all searches for apartments for sale between January and June 2022, Juffair has taken the number one spot on the top searched area list for that segment. This is most likely due to units becoming more available, and for the change in pricing that the area witnessed. Amwaj Islands and Seef have also recorded increased interest, commanding approximately 30 percent of searches in the same time frame.

Data from www.propertyfinder.bh highlights that almost 30 percent of searches for villas for sale are recorded for Diyar Al Muharraq and Amwaj Islands, which command the top two spots in that segment in H1 of 2022, and this is mainly due to the amount of units available, and that these two locations offer prime villa options for those looking to invest in real estate. Riffa has also witnessed an increase in listings in that segment in the same time frame, and is now the third most searched area for villas for sale in Bahrain.

APARTMENTS

LOCATION

- | | |
|--------------------------------|------------------------------------|
| <u>1. Juffair</u> | <u>6. Diyar Al Muharraq</u> |
| <u>2. Amwaj Islands</u> | <u>7. Dilmunia Island</u> |
| <u>3. Seef</u> | <u>8. Reef Island</u> |
| <u>4. Manama</u> | <u>9. Bahrain Bay</u> |
| <u>5. Hidd</u> | <u>10. Busaiteen</u> |

VILLAS

LOCATION

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

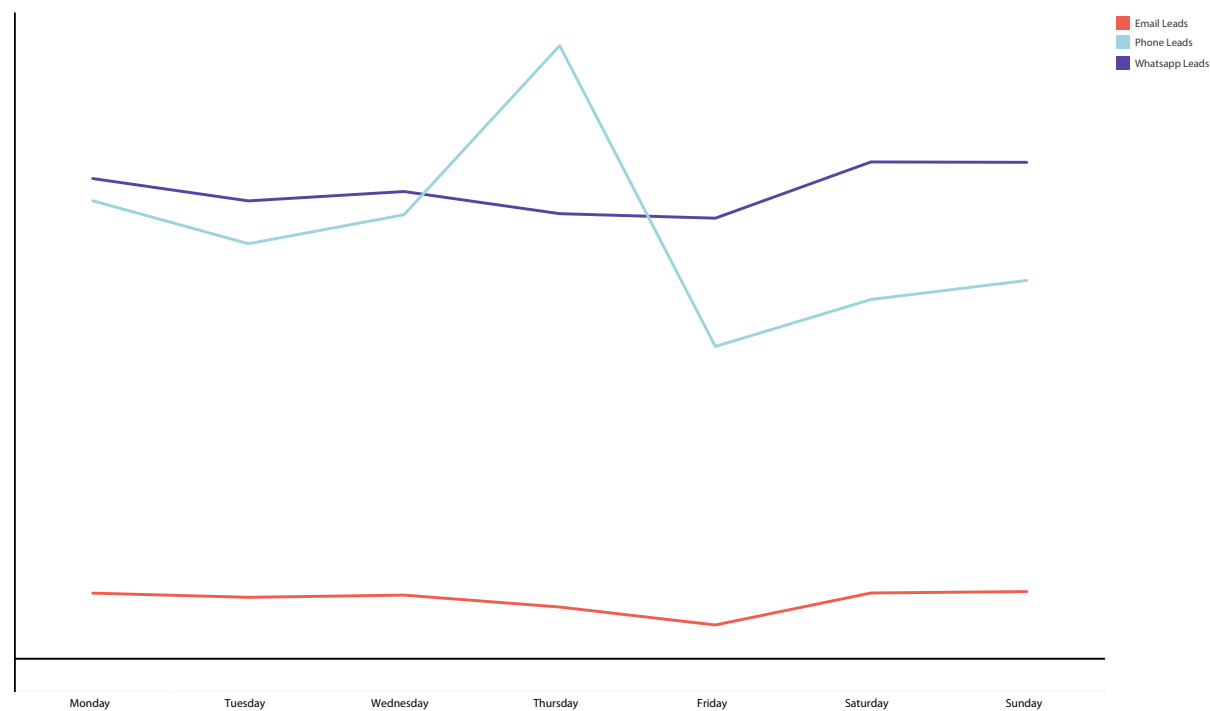
Based on the number of searches on propertyfinder.bh from January - June 2022.



USER BEHAVIOUR

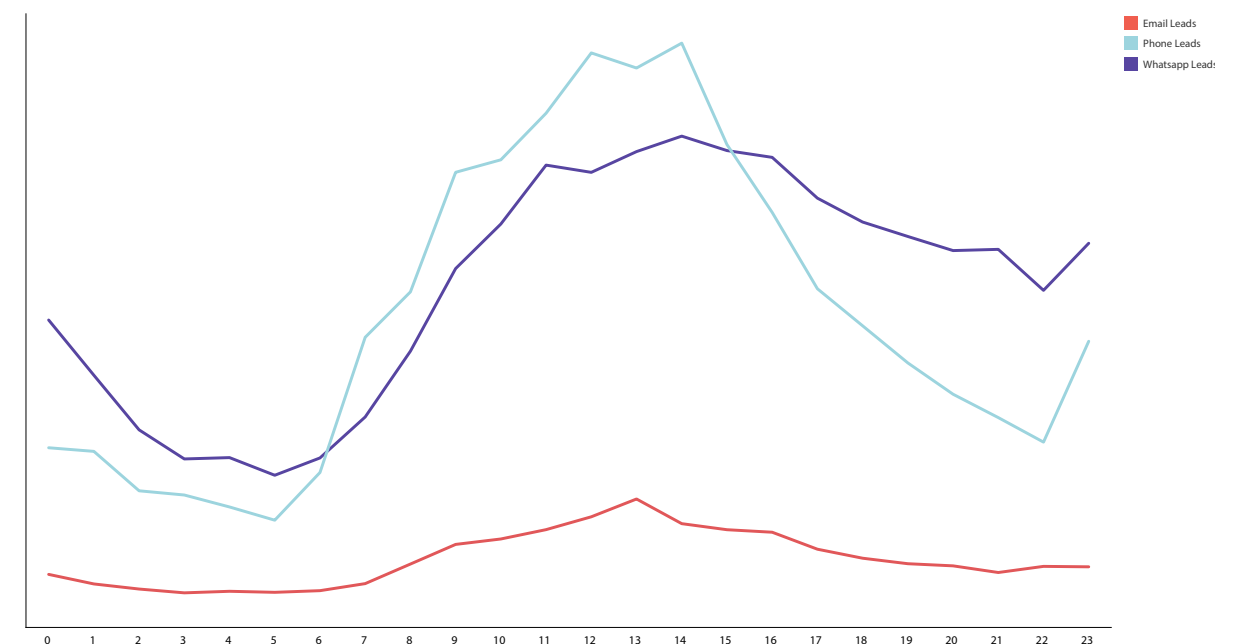
**When and how are consumers using our portal?
Here's what you should know to optimise your performance**

LEADS PER DAY OF THE WEEK



Since the introduction of WhatsApp leads on www.propertyfinder.bh, we have started noticing different patterns recorded in terms of lead type vs day of the week. For example we can clearly see that phone leads are at their highest on Thursdays, just before the weekend, which could be due to the ease of scheduling viewings on weekends. When it comes to WhatsApp leads, our data shows that they reach their highest peak on Saturday, which is the start of the work week for many.

LEADS PER TIME OF DAY



With the business world making the shift to remote jobs and working from home, we can see that lead timings have actually fluctuated in the first half of the year. There are a number of peaks and declines throughout the day, but data from www.propertyfinder.bh shows that midday remains the busiest time for both WhatsApp and phone leads.

Based on leads recorded on propertyfinder.bh from January - June 2022.

TOP SEARCHED KEYWORDS

End-users 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 property hunters who are searching specifically for these amenities and facilities.

APARTMENTS FOR RENT



- | | | |
|-------------|-----------------|-----------------|
| 1. Balcony | 5. Pets allowed | 7. Maid's room |
| 2. Pool | 6. Beach | 8. Garden |
| 3. Sea view | 7. Maid's room | 9. Private pool |

VILLAS FOR RENT



- | | | |
|-----------------|-----------------|----------------|
| 1. Pool | 4. Garden | 7. Balcony |
| 2. Private pool | 5. New | 8. Maid's room |
| 3. Beach | 6. Pets allowed | 9. Sea view |

APARTMENTS FOR SALE



- | | | |
|-------------|----------------|-----------------|
| 1. Balcony | 4. New | 7. Private pool |
| 2. Sea view | 5. Pool | 8. Pets allowed |
| 3. Beach | 6. Maid's room | 9. Garden |

VILLAS FOR SALE



- | | | |
|----------|-----------------|----------------|
| 1. Beach | 4. Garden | 7. Balcony |
| 2. Pool | 5. Private pool | 8. Maid's room |
| 3. New | 6. Sea view | |

Based on the keyword searches conducted through Property Finder in the period of January to June 2022.



WANT TO CONTRIBUTE TO
PROPERTY FINDER TRENDS?

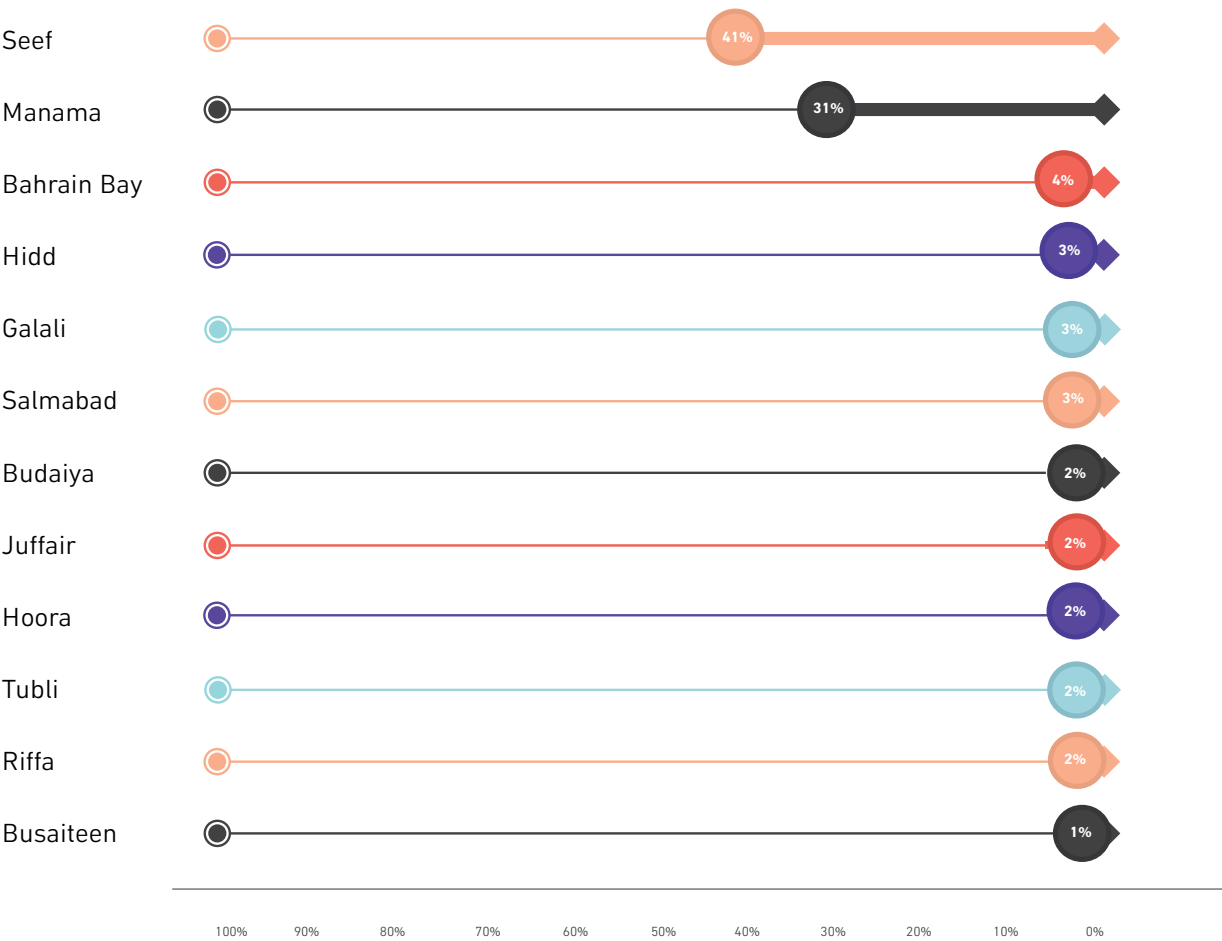
Email:
info@propertyfinder.bh

COMMERCIAL

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- 2 **COMMERCIAL MARKET ANALYSIS
- WAREHOUSES** - page 60
- 3 **TOP SEARCHED AREAS FOR
WAREHOUSES** - page 61
- 4 **LAND FOR SALE IN BAHRAIN** - page 62

COMMERCIAL OFFICES FOR RENT IN BAHRAIN

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



It is very clear that Seef is the most popular commercial area in Bahrain, which comes as no surprise, as it is considered to be the business hub of the country. Accounting for a whopping 41 percent of all leads recorded for offices for rent in Bahrain between January and June 2022, Seef has cemented itself as the go to location for end users who are searching for office rentals. Manama is another popular area, which has recorded 30 percent of leads for the same segment, in the same time frame.

Based on the number of enquiries and listings (properties listed) on propertyfinder.bh from January - June 2022

Average monthly asking price for office rentals in Bahrain

Location	Total contract asking price (BHD)
Bahrain Bay	873
Seef	788
Manama	760
Busaiteen	575
Budaiya	504
Hidd	475
Sitra	435
Hooraa	376
Juffair	364
Galali	319
Salmabad	319
Riffa	255
Sanad	225

Prices for office rentals in Bahrain continued to witness fluctuation over the first half of 2022, with prices still not finding stable trends. Data shows that Bahrain Bay has witnessed an increase of 10 percent when comparing H1 of 2022 with H2 of 2021, with the area still commanding some of the most highly priced office units. Other areas such as Budaiya and Hooraa have also seen price increases for office rentals in the same time frame, but with listings on www.propertyfinder.bh also increasing, it could be the driver behind the hike in prices.

Rental prices are based on the average monthly rental prices displayed on Property Finder between January and June 2022.

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

Top searched areas for office rentals in Bahrain

- 1. Seef
- 2. Manama
- 3. Bahrain Bay
- 4. Juffair
- 5. Riffa
- 6. Hidd
- 7. Tubli
- 8. Hoor
- 9. Budaiya
- 10. Salmabad
- 11. Sanad
- 12. Saar
- 13. Sitra
- 14. Galali
- 15. Janabiya
- 16. Busaiteen

Accounting for 70 percent of searches for office rentals between January and June of 2022, Seef and Manama continue to command the top two spots for that segment, as they are known for being hubs for offering office rentals. However, we can also see that Bahrain Bay is now the third top searched area for office rentals, (in H2 2021) and this is most likely due to a number of new offices entering the market.

Based on the number of searches on propertyfinder.bh from January - June 2022.

COMMERCIAL MARKET ANALYSIS

Average monthly price for warehouse rentals in Bahrain

Location	Average Monthly Price (BHD)
Ras Zuwayed	2,974
Salmabad	2,734
Sitra	2,250
Hidd	2,169
Tubli	2,151
Sehla	1,267
Riffa	1,194

Rental prices are based on the average monthly rental prices displayed on Property Finder between January to June 2022.

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

Location

1. Hidd

2. Salmabad

3. Sitra

4. Tubli

5. Riffa

6. Sanad

7. Askar

8. Ras Zuwayed

9. Manama

10. Mina Salman

Based on the number of searches on propertyfinder.bh from January to June 2022.



LAND FOR SALE IN BAHRAIN

Top searched areas for land for sale

1. Manama

2. Ras Zuwayed

3. Hidd

4. Askar

5. Diyar Al Muharraq

6. Salmabad

7. Seef

8. Sitra

9. Amwaj Islands

10. Riffa

Based on the number of searches on propertyfinder.bh from January to June 2022.



WE ARE PROPERTY FINDER

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OUR PERFORMANCE –
PROPERTY FINDER - page 66

IN THE NEWS

As a leader in real estate market intelligence, Property Finder Bahrain is regularly outspoken on emerging trends, consumer behaviour analysis, and news. Here is a selection of our media presence in the first half of 2022.

OUR PERFORMANCE – PROPERTY FINDER

Our mission remains the same: to be the fastest and easiest-to-use portal for property hunters, as well as the best marketing channel for agents. We continue to have the largest market share in Bahrain, as well as the lowest bounce rate, highest number of pages per visit, and the most visits per person than any other portal.

ORGANIC SEARCHES:

When searching for “apartment rentals in Juffair” for example, search results from propertyfinder.bh will almost always be at the very top. We continue to 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 by 24 percent from last year, when comparing January to June 2021 and 2022.

Sessions have also increased by over 65 percent in the same time frame.

LEADS 24% INCREASE



SESSIONS 65% INCREASE



Source:

propertyfinder.bh internal statistics tracking data.
Sessions, Users & PVs: Google Analytics January - June 2021 and January - June 2022.





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