

The background of the entire page is an aerial photograph of the Bahrain skyline at sunset. The sky is a mix of orange, yellow, and blue. Several prominent skyscrapers with curved, glass facades are visible, reflecting the sunset colors. The city below is densely packed with buildings, and a body of water is visible in the foreground. The overall mood is modern and vibrant.

**BAHRAIN PROPERTY
REPORT**
YEAR END 2025

REPORT



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REAL ESTATE PERFORMANCE AND KPI

	2024	2025	% Change	Change
Transactions volumes:	24,863	29,777	19.76%	↑
Transactions value:	1,056,462,138	1,601,933,338	51.63%	↑
Rental rates	Stabilised	Stabilised	↔	↔
Occupancy- Office and Retail	Stabilised	Stabilised	↔	↔
Hotel and Tourism KPI				
Occupancy	55.03%	56.38%	1.35%	↑
ADR	65.13	66.48	2.07%	↑
RevPar	36.03	37.95	5.33%	↑

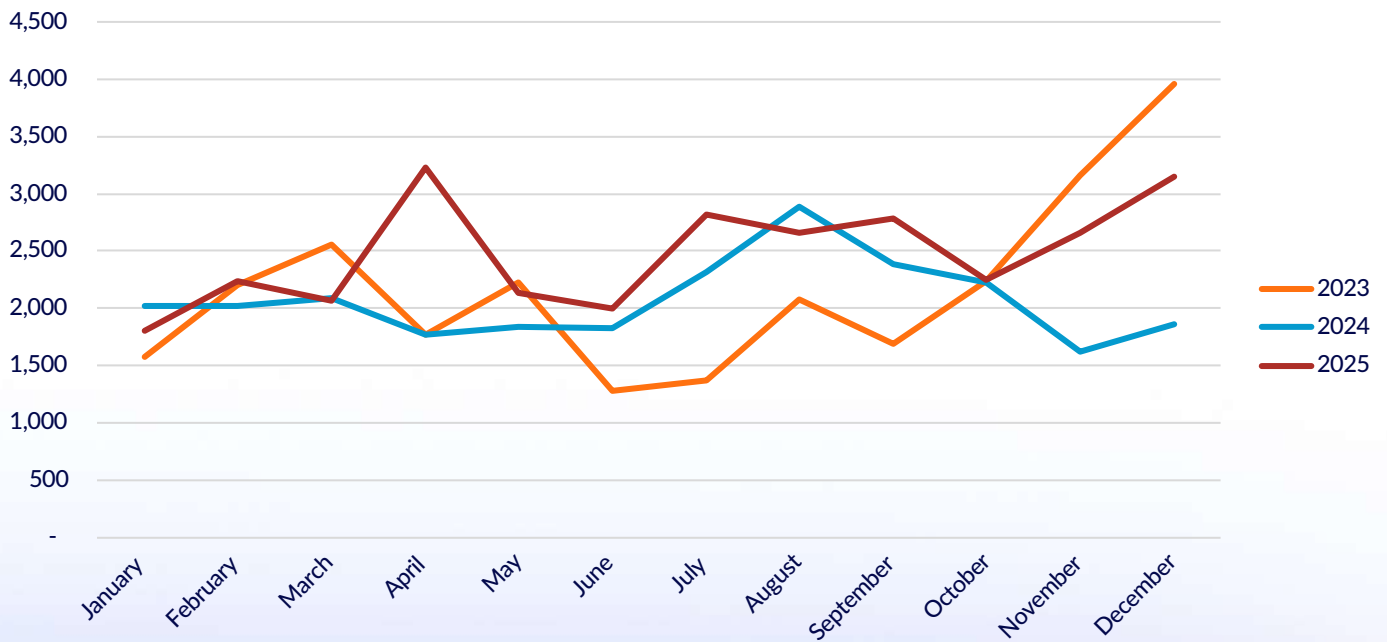
Real estate market activity strengthened in 2025, with transaction volumes increasing by approximately 19.8% year-on-year and transaction values rising by 51.6%. The stronger growth in transaction value relative to volume points to increased capital deployment and a shift toward higher-value transactions, supported by improving investor confidence and liquidity across the market. Overall, transaction trends in 2025 reflect a more active and confident market environment compared to the previous year.

Rental market performance remained largely stable across asset classes, albeit with some variation in pricing dynamics. The commercial sector experienced light price adjustments, while residential rental levels remained broadly stable. Collectively, these trends indicate a balanced rental market, with income fundamentals remaining intact and supported by disciplined pricing.

The hospitality sector continued its measured recovery during 2025, supported by improving tourism activity. Hotel occupancy increased to 56.4%, while average daily rates (ADR) rose to BHD 66.48, contributing to a 5.3% increase in RevPAR. These improvements highlight strengthening operating performance and reinforce the hospitality sector's growing contribution to Bahrain's real estate market and broader economy.

PROPERTY MARKET - SNAPSHOT

Bahrain's real estate market demonstrated clear resilience over the past three years, with transaction activity reflecting a market that continues to attract consistent participation. Following a strong 26,121 transactions in 2023, volumes eased moderately to 24,863 transactions in 2024, before rebounding decisively in 2025 with 29,777 recorded transactions. The recovery in 2025 was driven by sustained activity from the second quarter onwards, pointing to improved market confidence, stronger deal flow, and a more active trading environment relative to the previous year.



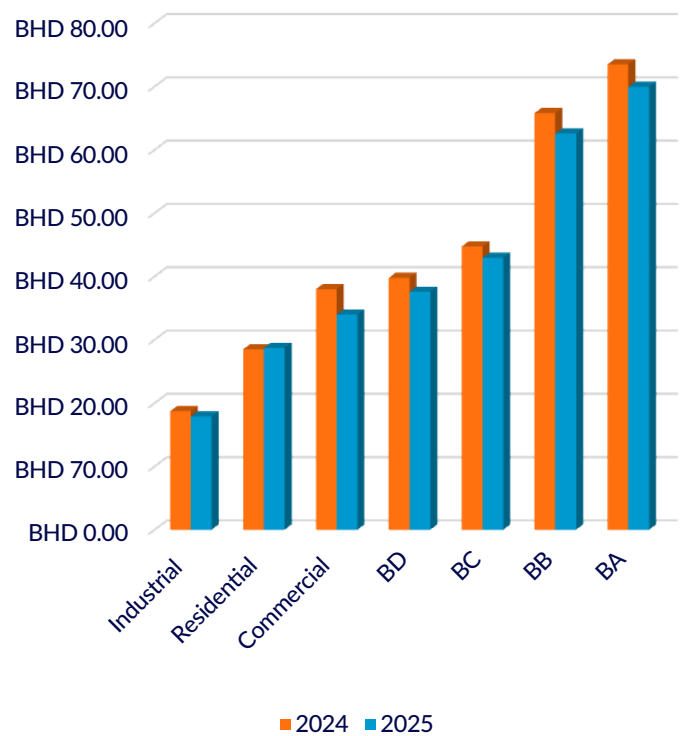
This progression highlights Bahrain's ability to absorb short-term fluctuations while maintaining momentum, supported by a diversified investor base and continued demand across asset classes.





LAND MARKET

Land values across Bahrain in 2025 remained broadly stable, reflecting a mature and disciplined market. Residential land values continued to show resilience, with average rates increasing marginally from BHD 28.51 per sq ft in 2024 to BHD 28.74 per sq ft in 2025, supporting the trend of steady end-user demand illustrated in the accompanying chart. Investment land values followed a clear and rational pricing gradient aligned with development intensity, with BA plots averaging BHD 69.95 per sq ft and BB plots at BHD 62.57 per sq ft, while BC and BD plots remained competitively positioned at BHD 42.95 per sq ft and BHD 37.60 per sq ft, respectively, reinforcing transparent market pricing and investor confidence.



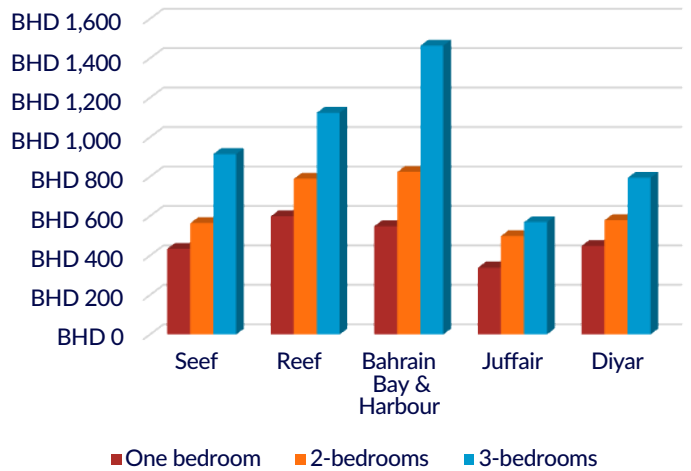
Zones	Built Percentage
Residential	180%
Industrial	240%
Commercial	300%
BD	360%
BC	600%
BB	750%
BA	1200%

This price gradient is supported by the respective built-up area allowances. Residential zones permit 180% (RA & RB) to 210% (RHA & RHB) built-up area, while industrial and commercial zones allow 240% and 300% respectively. In higher-density urban zones, allowances increase substantially—BD allows 360%, BC up to 600%, BB to 750%, and BA reaching 1200%. These high ratios provide significant development flexibility and are a key factor influencing land value and investor interest in Bahrain’s urban centers.

RESIDENTIAL SECTOR

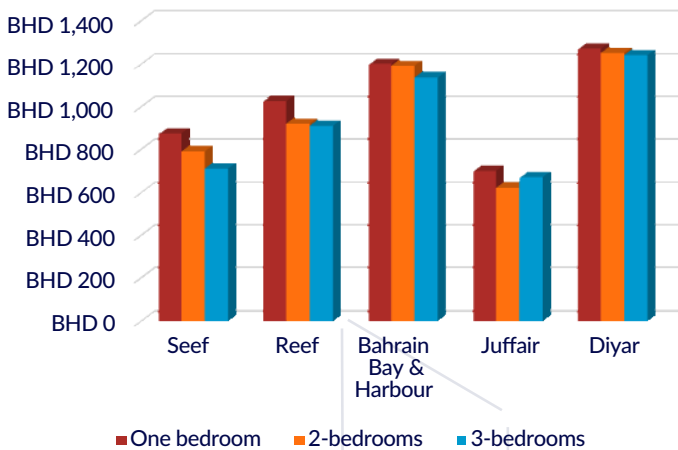
APARTMENT RENTALS

The apartment rental market in Bahrain remained stable with selective growth, underpinned by clear submarket segmentation and location-driven performance. Seef/Juffair sustained softer rental levels whereas Diyar in two-bedroom units, while Bahrain Bay and Harbour maintained their premium positioning with broadly stable rents and minor market recalibration. Juffair sustained softer rental levels whereas Diyar remained generally stable supported by steady family-led demand in larger units.



APARTMENT SALES

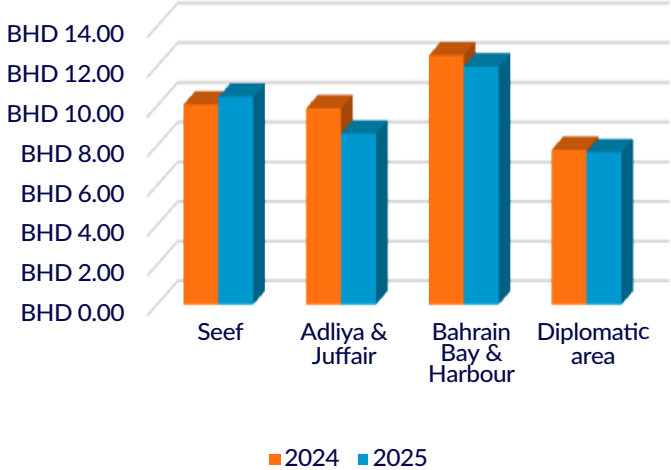
Bahrain’s apartment sales market remained broadly stable, with selective appreciation across established and premium submarkets. Seef continued to show positive momentum, particularly in smaller units. Diyar/Reef demonstrated balanced absorption with firming two-bedroom. Bahrain Bay and Harbour maintained their premium positioning and Diyar remained stable overall reinforcing its maturity as a waterfront community.



COMMERCIAL SECTOR

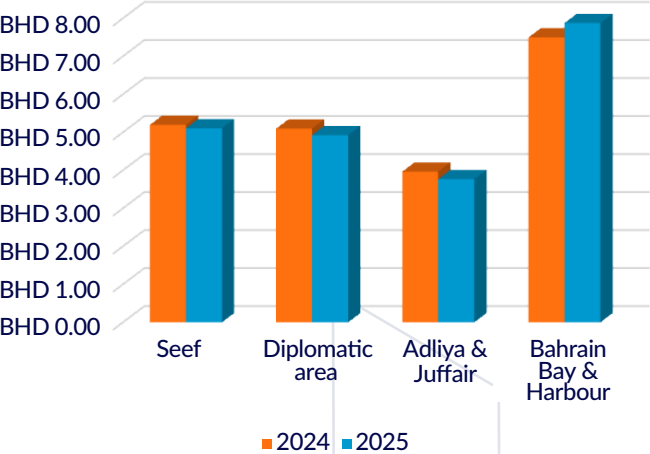
RETAIL RENTALS

Retail rental performance remained largely location-driven, with prime districts continuing to trade steadily. Seef recorded modest rental growth, while Bahrain Bay and Harbour maintained premium positioning despite slight normalization in leasing levels. Adliya and Juffair benefited from rental re-basing, improving affordability and supporting renewed leasing activity.



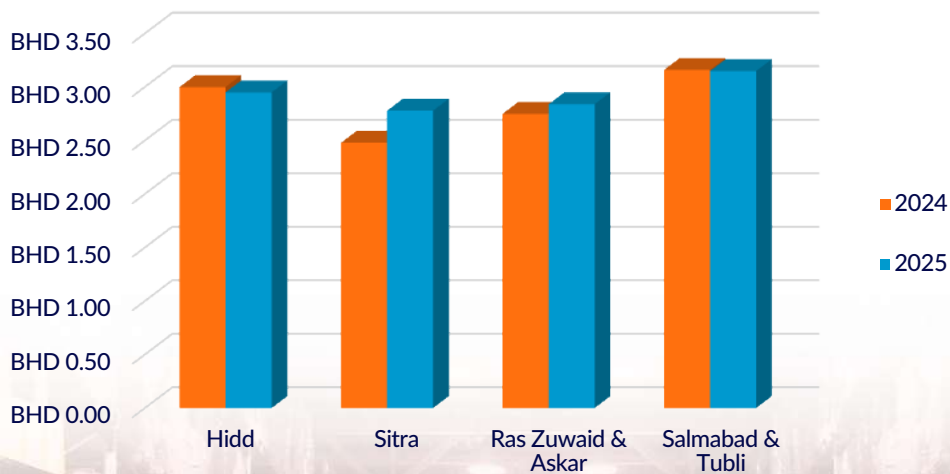
OFFICE RENTALS

The office market remained balanced with broadly stable rents across key districts. Bahrain Bay and Harbour continued to lead performance, supported by sustained demand for Grade A space within mixed-use environments. Seef and the Diplomatic Area demonstrated stability as mature office hubs, while Adliya and Juffair maintained competitive rental positioning, appealing primarily to SMEs and cost-conscious occupiers.



INDUSTRIAL SECTOR

Industrial warehouse rents in 2025 remained stable to mildly positive, supported by steady occupier demand across Bahrain's established logistics and industrial hubs. Sitra and Ras Zuwaid & Askar recorded rental growth, with average rates increasing to BHD 2.78 per sqm and BHD 2.84 per sqm, reflecting continued demand from port-related, manufacturing, and distribution users. Hidd and Salmabad & Tubli remained broadly unchanged at BHD 2.95 per sqm and BHD 3.15 per sqm, respectively, reinforcing their position as mature, well-absorbed industrial locations. Overall, the sector demonstrated resilience and pricing stability, underpinning its role as a dependable income-generating segment within Bahrain's real estate market.



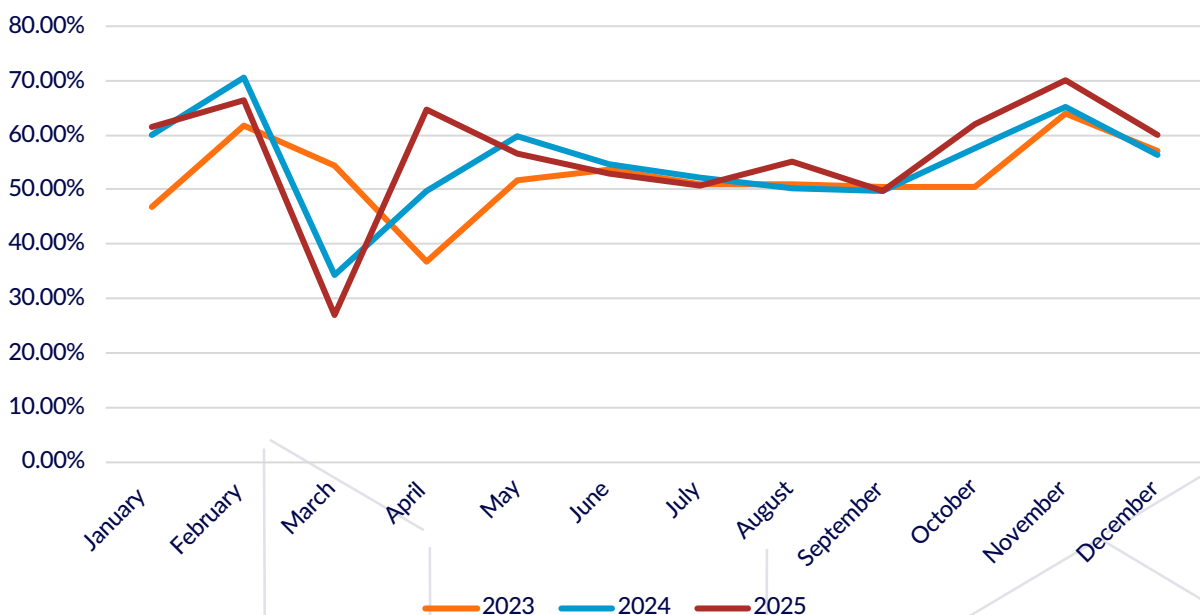


HOSPITALITY SECTOR

The first quarter performance of Bahrain's hospitality sector across 2023 to 2025 revealed fluctuating trends in occupancy rates, Average Daily Rate (ADR), and Revenue per Available Room (RevPAR).

OCCUPANCY RATE

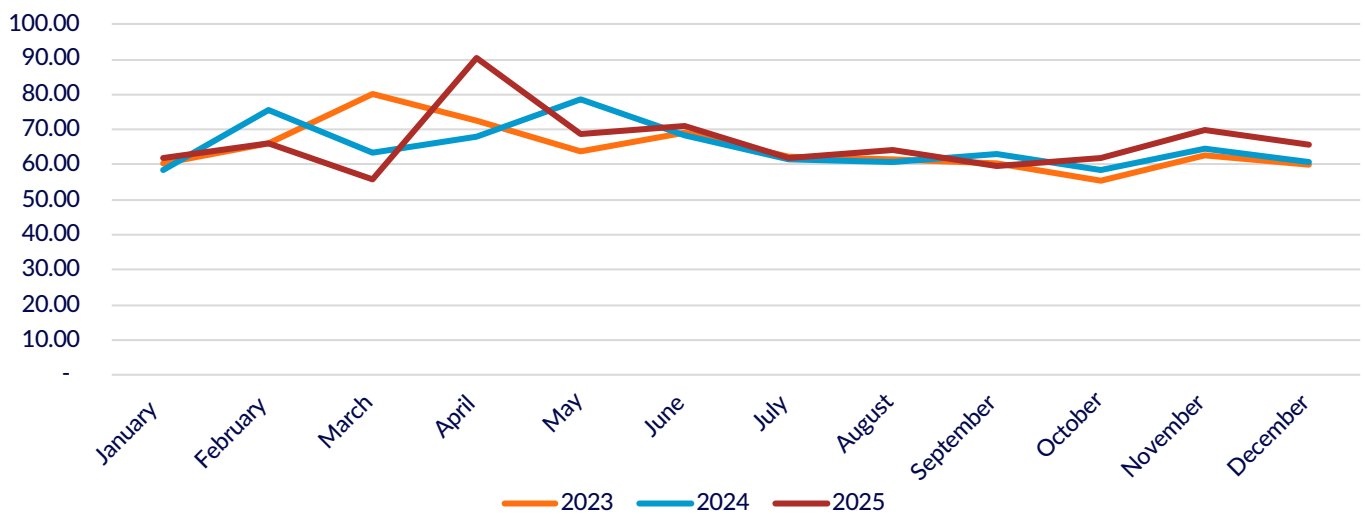
Hotel occupancy levels in 2025 showed a clear improvement over prior years, with performance strengthening particularly in the second half of the year. Average occupancy remained consistently above 2023 levels and generally higher than 2024 across key periods, reflecting recovering travel demand and improved tourism activity. Strong monthly performance was recorded in April (64.6%), October (62.1%), November (70.0%), and December (60.0%), highlighting increased visitor inflows during peak and shoulder seasons. While a temporary dip was observed in March, overall occupancy has normalised at a higher base, supporting improving hospitality fundamentals and positive momentum heading into the following year.



HOSPITALITY SECTOR

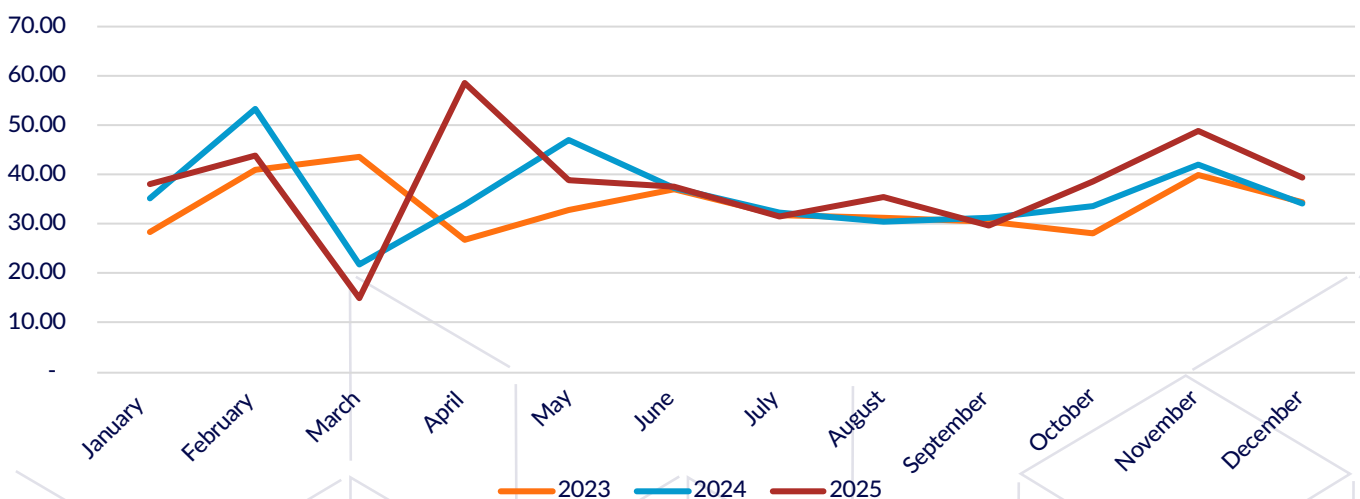
AVERAGE DAILY RATE (ADR)

Average Daily Rates (ADR) strengthened in 2025, with the annual average increasing to BHD 66.48, compared to BHD 65.13 in 2024, reflecting improved demand conditions and more effective yield management across the hospitality sector. Higher ADRs were recorded during peak and shoulder periods—most notably in April and the fourth quarter—while month-to-month variations remained in line with normal seasonality. Overall, the improvement in ADR, alongside rising occupancy levels, points to a healthier pricing environment and supports the continued recovery and stabilisation of Bahrain’s hospitality market.



REVENUE PER AVAILABLE ROOM (REVPAR)

Revenue per Available Room (RevPAR) continued to strengthen in 2025, with the annual average increasing to BHD 37.95, up from BHD 36.03 in 2024, reflecting the combined impact of higher occupancy levels and firmer room rates. Stronger performance was evident during peak periods, particularly in April, October, and November, while softer months reflected normal seasonality rather than structural weakness. Overall, the improvement in RevPAR highlights a healthier operating environment and reinforces the positive momentum across Bahrain’s hospitality and tourism market in 2025.



FOCUS POINT

WHY SUSTAINABILITY LEADERSHIP COULD BE BAHRAIN'S NEXT COMPETITIVE EDGE

The Gulf region's built environment is increasingly exposed to climate-related risks and investor expectations are shifting toward assets with demonstrable environmental performance. Bahrain's small geographic size, centralized governance, and comparatively agile private sector provide structural advantages in implementing compact, resource-efficient, and circular development models. Compared to larger Gulf economies that rely heavily on large-scale megaprojects, Bahrain is better positioned to pilot and refine sustainability-driven development approaches with shorter implementation cycles and measurable outcomes.

Recent developments illustrate partial progress. Projects such as Bahrain Bay and Diyar Al Muharraq incorporate district cooling, water recycling, and renewable energy systems, while Dilmunia Island integrates wellness-focused design and sustainable landscaping. However, to ensure meaningful impact, key performance indicators including embodied carbon, lifecycle emissions, net energy balance, and biodiversity impact must be systematically integrated into project valuation, feasibility assessments, and financing criteria rather than treated as secondary considerations.

From an investment perspective, the transition toward sustainability is becoming increasingly material. International evidence suggests that certified sustainable buildings can command rental premiums of 6–10%, alongside lower vacancy rates and reduced operating costs, ultimately enhancing risk-adjusted returns. Concurrently, financial institutions are embedding environmental social governance (ESG) considerations into credit assessments and asset valuations, often translating into preferential financing terms for high-performing assets. In Bahrain, where foreign investors account for a meaningful share of off-plan residential demand, demonstrable and credible environmental performance is likely to become an increasingly influential factor in capital allocation decisions.

Delivering climate-positive outcomes requires coordinated action across stakeholders. Developers must incorporate lifecycle carbon accounting, passive cooling strategies, and water circularity at the feasibility stage rather than as post-design enhancements. Policymakers can accelerate adoption through performance-based zoning incentives and standardized sustainability disclosure requirements. Financial institutions can further reinforce this shift by linking financing conditions to verified environmental outcomes. Bahrain Development Bank's ongoing development of an ESG framework and scoring system represents a step toward institutionalizing such practices.

At a macroeconomic level, global capital is increasingly reallocating toward low-carbon and climate-resilient assets. Bahrain's ability to position itself as a testing ground for climate-positive urban development could support sustained capital inflows and reinforce economic diversification objectives. As regional energy markets undergo structural change, climate-positive real estate offers Bahrain a credible pathway to align environmental performance with long-term investment competitiveness.

- Yulia Midyushko

The background of the top half of the image is an aerial rendering of the Tivoli development. It shows a large residential complex with numerous multi-story buildings, interspersed with green spaces, palm trees, and swimming pools. The development is situated along a coastline with a sandy beach and turquoise water. The overall scene is bathed in the warm, golden light of a sunset or sunrise.

TIVOLI

WELCOME TO THE SUNSET COAST



EXPERT TEAM



KARIM YAZJI

Chief Executive Officer

Provides strategic leadership and governance, setting the company's long-term vision and direction while overseeing overall performance and organizational growth. Ensures strong corporate governance, risk management, and compliance frameworks, reinforcing market credibility and stakeholder confidence.



CREMIO KAZEMBE

Head of Valuation & Real Estate

Oversees market data management, research analysis, and reporting systems to support reliable property valuations and strategic decision-making. Holds a Tier-A License. Develops market insights, trend analysis, and performance reports that enhance operational efficiency, business planning, and overall organizational effectiveness.



SHINU KOCHUTHOPPIL

Valuation Manager

Leads and supervises all valuation operations, establishing professional standards and best practices to ensure accurate, compliant, and high-quality property valuations. Holds a Tier-A License. Oversees valuation teams, methodologies, and reporting processes, while maintaining strong client relationships and regulatory alignment.

EXPERT TEAM



SAMER NAYAL

Business Development Manager

Leads business development across the Bahraini market, specializing in sales strategy, client acquisition, and market expansion in both Bahrain and the UAE. Focused on driving new opportunities, building strong client pipelines, and supporting sustainable revenue growth while cultivating long-term, value-driven relationships.



HUSSAIN HUSSAINI

Sales Director

Leads a top-performing brokerage team in residential and off-plan real estate sales. Drives strong performance across major projects and international investor portfolios. Recognized for results-driven leadership, strategic execution, and high-impact client engagement that strengthens market reputation and client confidence.



SARA ALI

Marketing Manager

Leads the company's marketing strategy, brand positioning, and market presence across local and international platforms. Accelerates brand growth, lead generation, and commercial performance through high-impact, data-driven campaigns. Recognized for digital excellence, strategic leadership, and delivering measurable market results.



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