

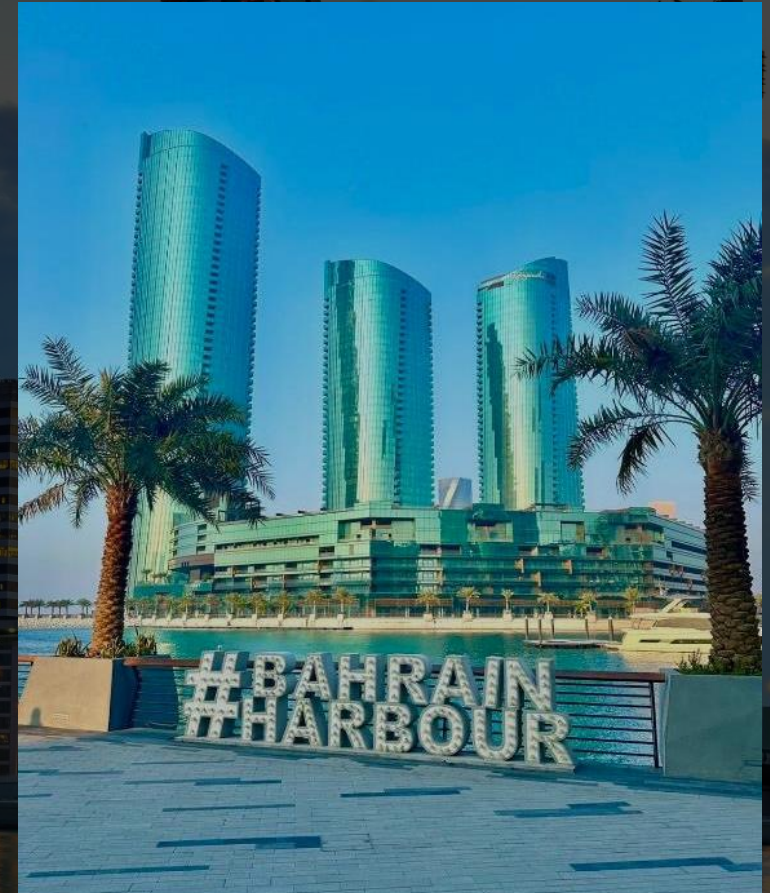
BAHRAIN PROPERTY

REPORT Q4 2024

Progressive property valuation and transaction volume improvement have been witnessed due to increased local and regional economic stability and growth

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An aerial photograph of a city skyline at dusk. Two prominent skyscrapers with green-tinted glass facades stand out against the twilight sky. The city is densely packed with buildings, and a body of water is visible in the foreground. The text "1. REAL ESTATE PERFORMANCE AND KPI" is overlaid in white, bold, sans-serif font, centered horizontally. A thin orange horizontal line is positioned directly below the text.

1. REAL ESTATE PERFORMANCE AND KPI

REAL ESTATE PERFORMANCE AND KPI

The real estate market in Bahrain demonstrated resilience in 2024 despite a slight contraction in transaction activity. This report provides a detailed analysis of the key performance indicators (KPI) for the year, offering insights into the prevailing trends and market dynamics shaping the sector.

	2023 Q4	2024 Q4	% Change	Change
Transactions volumes:	26,121	24,863	-4.82%	↓
Transactions value:	1,074,057,408	1,056,462,138	-1.64%	↓
Land rates	Stabilised	Stabilised	↔	↔
Residential rates	Stabilised	Stabilised	↔	↔
Commercial Rentals	Stabilised	Stabilised	↔	↔
Industrial rates	Stabilised	Stabilised	↔	↔
Hotel and Tourism KPI				
Occupancy	52.88%	54.85%	1.97%	↑
ADR	61.49	63.80	3.76%	↑
RevPar	34.21	37.07	8.36%	↑

Disclaimer

The transaction details and values presented in this report were derived from the Survey and Land Registration Bureau (SLRB) while the hospitality data was sourced from STR data. The rental and sales rates were compiled from a large sample of online property listings, with the majority of data derived from Propertyfinder.com and Bahrainfinder.com. The data was analyzed quarterly to provide a comprehensive overview of the market trends.

REAL ESTATE PERFORMANCE AND KPI



In 2024, transaction volumes declined by 4.82% compared to the previous year, with 24,863 transactions recorded. However, the total transaction value only saw a marginal reduction of 1.64%, amounting to BHD 1.06 billion. This suggests a shift in market activity toward higher-value properties, emphasizing continued interest in premium assets despite reduced transaction counts.

Land, residential, commercial, and industrial rates remained stable throughout the year, reflecting balanced supply and demand across these key sectors. This stability reassures investors and developers of the market's steadiness, positioning Bahrain as a reliable hub for real estate investments.

The hospitality sector sustained its positive trajectory, with hotel occupancy rates rising from 52.88% in 2023 to 54.85% in 2024, a growth of 1.97%. The Average Daily Rate (ADR) improved by 3.76%, reaching BHD 63.80, and Revenue Per Available Room (RevPAR) grew by an impressive 8.36%, reaching BHD 37.07. These figures underline Bahrain's continued attractiveness as a tourism destination, bolstered by strategic efforts to enhance visitor experiences and increase travel demand.

An aerial photograph of a modern city skyline, likely Dubai, featuring numerous skyscrapers and a large body of water in the foreground. The text "2. GLOBAL ECONOMIC OVERVIEW" is overlaid in white, bold, sans-serif font, centered horizontally. A thick orange horizontal line is positioned directly below the text.

2. GLOBAL ECONOMIC OVERVIEW

GLOBAL ECONOMIC OVERVIEW

- Global economic growth remained moderate in 2024, around 3.2%, but fell short of pre-pandemic trends. This slowdown stemmed from factors like persistent inflation and tighter monetary policy implemented in the first half of the year. However, a shift in the Federal Reserve's stance towards the latter part of 2024, with a reduction in interest rates, began to temper borrowing costs and economic activity.
- Inflation rates in advanced economies are trending closer to central banks' targets, stabilizing financial markets and improving consumer purchasing power. Developing economies are experiencing slower declines due to structural challenges.
- The global sukuk market remains robust, with issuances expected to reach \$200 billion in 2025. This reflects strong investor confidence in Islamic finance as a stable and ethical investment vehicle.
- Interest rates remained elevated in the first half of 2024 as central banks like the Federal Reserve implemented policies to combat inflation. However, the Federal Reserve's change in stance towards the latter part of the year, with a reduction in interest rates, began to bring borrowing costs down. This shift is expected to have a more pronounced effect on interest-rate-sensitive sectors like housing and investment in 2025.
- Global real estate markets experienced a slowdown in 2024 due to higher mortgage rates and tighter lending conditions in the first half of the year. However, the Federal Reserve's interest rate reduction towards the end of the year is expected to gradually ease borrowing costs and potentially reignite some housing market activity in 2025.
- Global Foreign Direct Investment (FDI) increased by 11% in 2024. However, when excluding European conduit countries—where funds are routed for tax or regulatory purposes—actual investment declined by approximately 8%. This underscores the importance of analyzing the underlying factors driving investment flows.
- Ongoing geopolitical tensions and uncertainties, such as conflicts, trade disputes, and political instability, added to economic headwinds throughout 2024. These factors created uncertainty for businesses and investors, impacting investment decisions and economic growth.
- While easing, lingering supply chain issues, stemming from the pandemic and other disruptions, continued to impact global trade and inflation throughout 2024. These disruptions led to higher input costs for businesses.
- Increasing climate change-related disruptions and cybersecurity challenges are threatening global economic stability, urging nations to adopt green technologies and strengthen digital infrastructure.
- The global push for AI, semiconductors, and digitalization has accelerated, with Asia and the United States taking the lead in investments, fostering innovation and economic competitiveness.



3. GCC ECONOMIC OVERVIEW

GCC ECONOMIC OVERVIEW

- GCC economies demonstrated robust growth in 2024, driven by sustained high oil prices throughout much of the year and successful diversification efforts. This growth allowed for increased government spending on infrastructure and social programs.
- With an inflation rate of just 1.9%, Saudi Arabia maintained its position as the G20 country with the lowest inflation. This reflects effective monetary policies and price controls, boosting consumer confidence.
- The UAE experienced record IPO activity, with sectors like technology, real estate, and logistics seeing strong investor participation. This underscores the UAE's global financial hub status and diversified economy.
- Investors in Dubai's real estate sector earned \$27.36 billion in 2024, with high demand for luxury properties and off-plan developments driving the market.
- Qatar's real estate market experienced significant growth in off-plan transactions, supported by preparations for major events and an influx of international buyers.
- Kuwait's Central Bank increased its issuance of bonds and Tawarruq instruments to strengthen liquidity and support public infrastructure projects.
- Oman recorded a 6.4% rise in real estate transactions in 2024, with investor confidence bolstered by mortgage activity and fiscal stability.
- The GCC tourism sector showed strong growth, with high hotel occupancy rates driven by government initiatives, mega-events, and an expanding airline network.
- Non-oil sectors like tourism, real estate, renewable energy, and logistics contributed significantly to economic expansion. This diversification is a key strategic priority for GCC governments to reduce reliance on oil revenues.
- Inflation remained relatively low compared to global averages due to currency pegs to the US dollar and government subsidies on essential goods and services. However, some upward pressure on prices was observed due to global supply chain issues and increased domestic demand.
- Increased government investment in large-scale infrastructure projects, such as new cities, transportation networks, and tourism developments, continued to support real estate development and overall economic growth. These projects create jobs and stimulate private sector investment.
- Gulf Data Hub partnered with KKR to invest \$5 billion into expanding data center capacity across the GCC, aligning with the region's digital transformation goals and supporting the growth of cloud services and AI applications.

An aerial photograph of the Bahrain World Trade Center, featuring three distinctive cylindrical towers with wind-tunnel-like openings. The towers are situated on a man-made island in the Persian Gulf. The sky is a mix of orange, yellow, and blue, indicating sunset or sunrise. In the foreground, there are modern, multi-story residential or commercial buildings with balconies. The water is calm, reflecting the colors of the sky.

4. BAHRAIN ECONOMIC OVERVIEW

BAHRAIN ECONOMIC OVERVIEW

- Bahrain advanced to 21st globally in the IMD World Competitiveness Ranking, driven by improvements in infrastructure, business efficiency, and regulatory frameworks. It ranked first in 12 indicators, showcasing its progress in fostering a competitive economy.
- Bahrain's Golden License initiative attracted \$2.4 billion in investments across nine projects, creating 3,000 jobs and reinforcing its economic diversification strategy.
- Bahrain introduced a global minimum tax for multinational enterprises, aligning with OECD standards. This ensures equitable taxation while maintaining Bahrain's appeal as a business-friendly destination.
- Treasury bills worth \$185.8 million were oversubscribed by 200%, highlighting robust investor confidence and the government's financial stability.
- Bahrain and Oman signed 25 agreements to enhance cooperation in sectors like trade, infrastructure, and tourism, strengthening bilateral ties and regional integration.
- Bahrain benefited from significant investments (\$6.3 Billion Investment) by the Abu Dhabi Fund for Development, which supported 33 development projects aimed at improving infrastructure and public services.
- Bahrain's tourism sector recorded rising hotel occupancy and RevPAR, supported by international events and the country's strategic marketing efforts to position itself as a key destination.
- GCC-listed banks reported record profits of \$14.8 billion in Q1 2024, with Bahrain playing a crucial role in driving growth through higher interest rates and efficient banking operations.
- Saudi Basic Industries Corporation (SABIC) sold its 20.62% stake in Aluminium Bahrain (Alba) to Ma'aden for \$1 billion, reflecting strategic industrial realignments.
- A BlackRock-managed fund acquired a stake in the Bahrain Pipeline Company, marking a strategic investment to support economic growth.
- Bahrain continued to develop its energy sector, with initiatives like asset monetization by Bapco Energies supporting fiscal growth and energy diversification.
- The real estate market showed signs of stabilization in 2024, with increased activity in certain segments, particularly affordable housing and selected commercial projects. However, challenges related to oversupply in some areas persisted.
- Ongoing development of large-scale infrastructure projects, such as new highways, bridges, and the expansion of Bahrain International Airport, is improving connectivity, attracting investment, and supporting real estate growth.

A modern high-rise building with a mix of glass and concrete facades. A vibrant, colorful mural is visible on one of the glass sections. The building features multiple balconies with glass railings. In the foreground, there is a waterfront promenade with a low stone wall, several palm trees in planters, and a railing. The sky is clear and blue.

5. PROPERTY MARKET

The data on real estate transactions reported by the Survey and Land Registration Bureau (SLRB) from 2021 to 2024 highlights trends in Bahrain's property market activity. Over this period, the market experienced steady growth interspersed with fluctuations, driven by external factors and market adjustments. The annual totals and quarterly performance reflect the evolving dynamics of the real estate sector, offering valuable insights into transaction volumes and their year-on-year changes.

Annual Comparison:

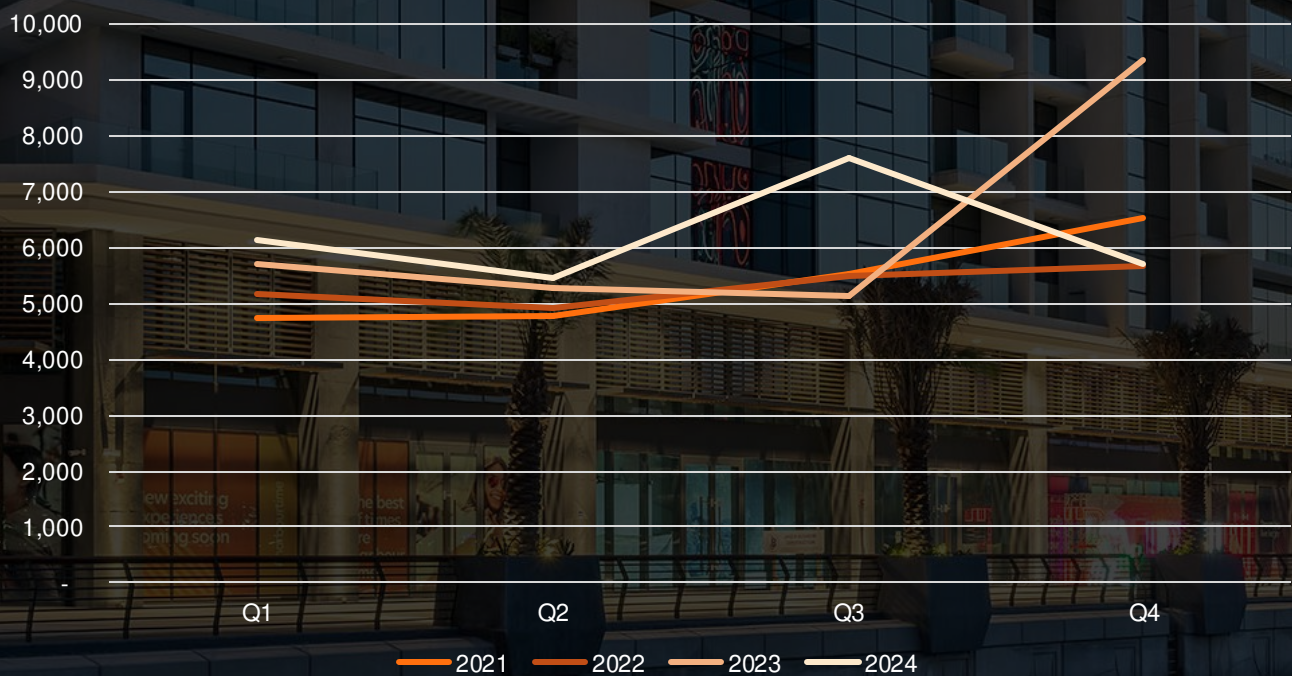
- In 2021, the total number of transactions amounted to 21,564.
- In 2022, there was a slight decrease to 21,241, representing a 1.5% decline compared to 2021.
- 2023 experienced a notable increase, reaching 25,495, which reflects a 20% rise compared to 2022.
- In 2024, the transactions totaled 24,859, marking a 2.5% decrease from 2023, but still 17% higher than 2021.
- Over the four years, 2023 emerged as the strongest year in terms of total transactions, driven by a particularly high performance in Q3 and Q4
- The decline in 2024, particularly in Q4, may indicate a market adjustment following the previous year's peak. However, overall performance remained robust, with 2024 surpassing pre-2023 levels.

Quarterly Observations:

- Q1 transactions grew steadily over the years, increasing from 4,746 in 2021 to 6,120 in 2024, showing a cumulative 28.9% growth over four years.
- Q2 transactions also followed an upward trend, rising from 4,775 in 2021 to 5,435 in 2024, reflecting a 13.8% increase over the period.
- Q3 saw fluctuations, peaking at 7,590 in 2024—a 47.5% rise compared to 5,145 in 2023. This marked the most significant quarterly improvement.
- Q4 transactions demonstrated variability, with a notable dip in 2024 to 5,714, compared to the peak of 9,362 in 2023, showing a 39% decline year-on-year.

PROPERTY MARKET

The real estate market demonstrated resilience, with overall growth observed between 2021 and 2024. While 2023 marked a peak year, 2024 maintained strong transaction volumes, surpassing pre-2023 levels despite a slight decline. The steady quarterly increases in Q1 and Q2, coupled with notable fluctuations in Q3 and Q4, indicate a dynamic market adjusting to economic and sectoral influences. These trends underscore the ongoing activity and demand within Bahrain’s real estate sector.



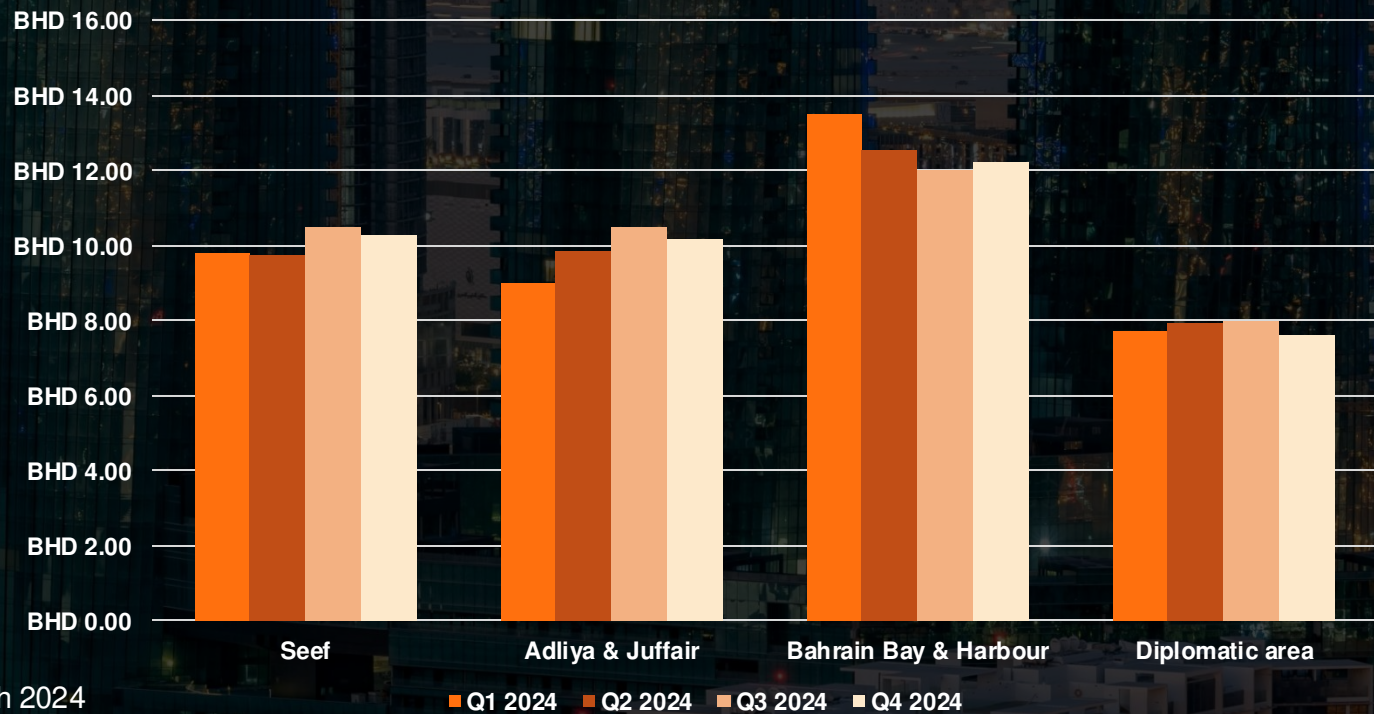
Source: SLRB.



6. RETAIL SECTOR

RETAIL SECTOR

The retail rental market in Bahrain exhibited a mix of stabilization and slight adjustments in Q4 2024. Seef maintained strong momentum, recording a rental rate of BHD 10.26, slightly adjusting from BHD 10.51 in Q3 but still reflecting sustained demand. Adliya & Juffair followed a similar trend, with rates stabilizing at BHD 10.19 after a peak of BHD 10.50 in the previous quarter, indicating a balanced market for retailers. Bahrain Bay & Harbour continued to offer prime retail spaces, recording BHD 12.22 in Q4 after a slight dip in Q3, signaling its ongoing attractiveness for premium retail investments. Meanwhile, the Diplomatic Area experienced a slight decline to BHD 7.59, suggesting potential opportunities for retailers seeking competitive leasing terms. Overall, the sector remains resilient with prime retail locations retaining strong positioning.



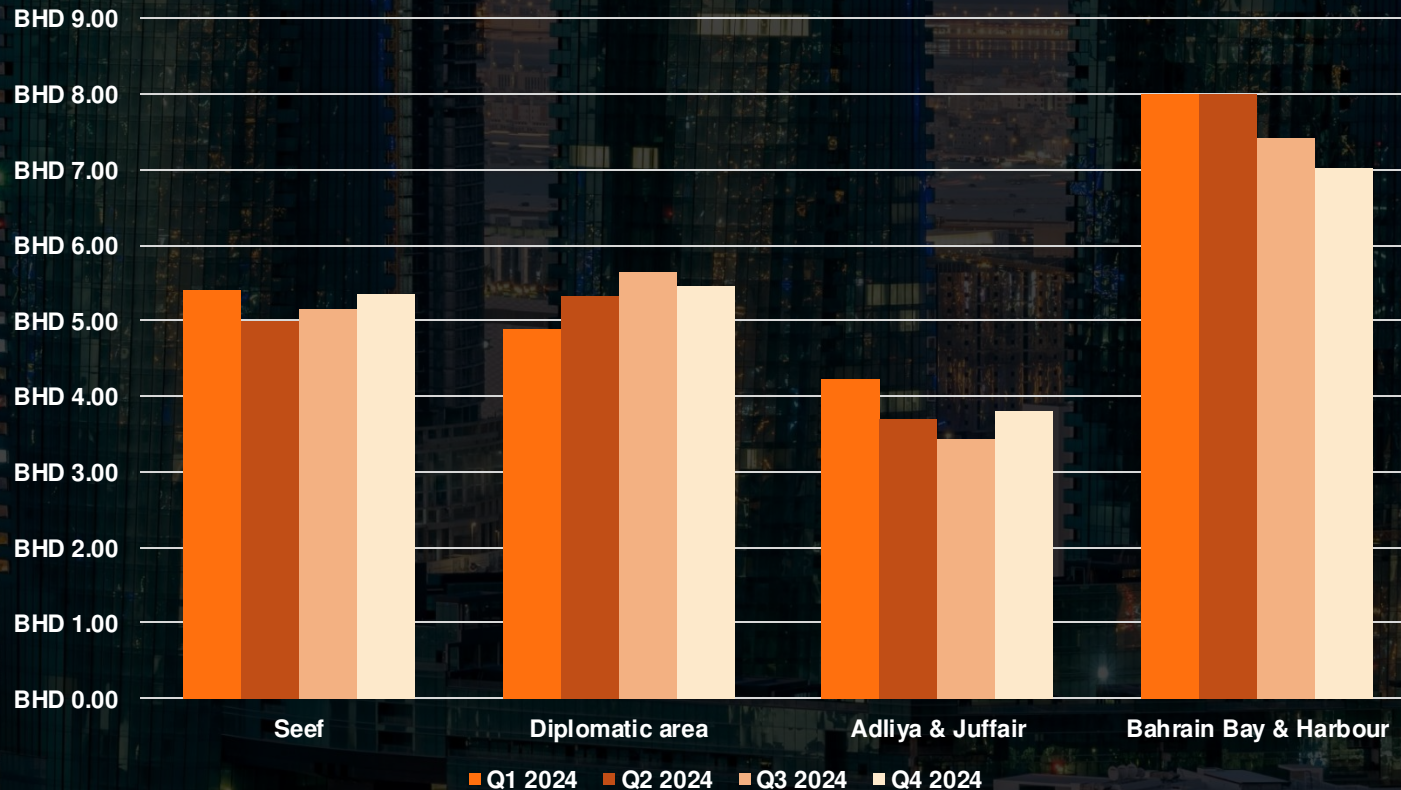
Source: ASK Research 2024



7. COMMERCIAL OFFICE RENTALS

COMMERCIAL OFFICE RENTALS

- The office rental market in Bahrain demonstrated a mix of resilience and strategic adjustments in Q4 2024 with Seef averaging a modest increase to BHD 5.33 and Diplomatic Area at BHD 5.44. Adliya & Juffair rebounded slightly to BHD 3.81 with Bahrain Bay & Harbour experienced a slight decrease to BHD 7.00. Overall, the Q4 office rental sector exhibited flexibility, with key locations balancing demand and affordability, making it an opportune period for businesses looking for strategic leasing options.



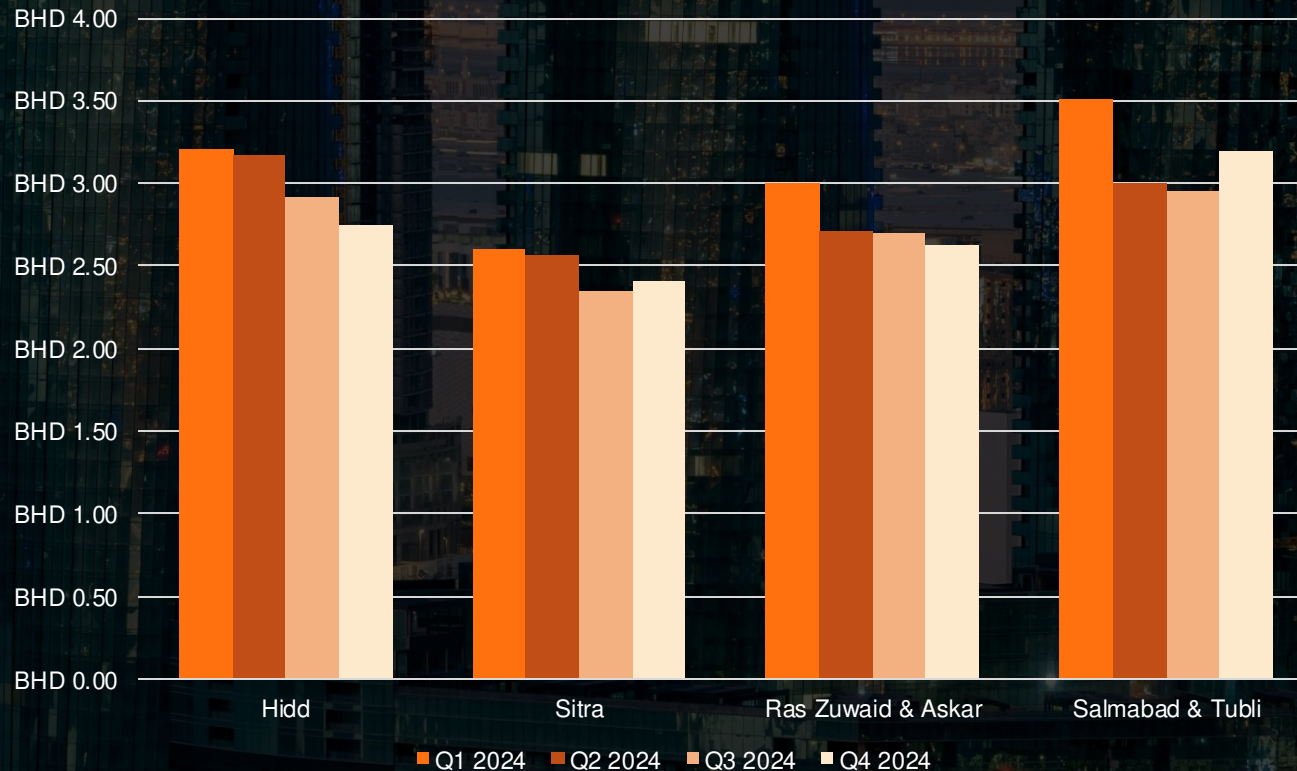
Source: ASK Research 2024

A large industrial facility, possibly a refinery or chemical plant, is shown at night. The scene is dominated by a complex network of steel structures, including tall distillation columns, storage tanks, and a dense web of pipes. Several bright spotlights illuminate the facility, creating a high-contrast scene with deep shadows and bright highlights. The sky is a dark, deep blue. The overall atmosphere is industrial and powerful.

8. INDUSTRIAL SECTOR

INDUSTRIAL SECTOR

The warehouse rental market showcased a strategic rebalancing in Q4 2024, with rental rates adjusting across key industrial zones. Hidd continued its gradual moderation reaching BHD 2.74 while Sitra saw a slight increase to BHD 2.40, indicating renewed industrial activity. Ras Zuwaid & Askar maintained stability, closing at BHD 2.62 while Salmabad & Tubli reversed its Q3 decline rising to BHD 3.19. Overall, the Q4 industrial rental market reflects a phase of price stabilization, ensuring competitive leasing options for businesses seeking efficient warehousing and distribution facilities.



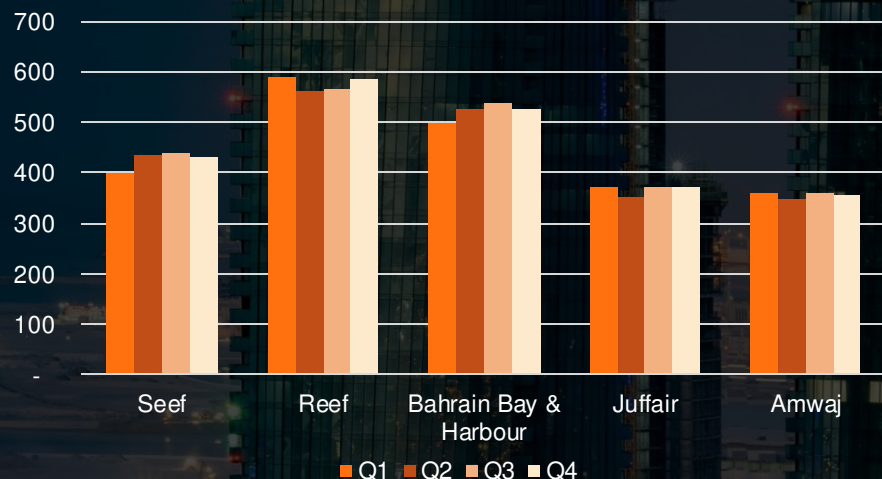
A photograph of a modern, multi-story residential building at night. The building features large glass windows and balconies, many of which are illuminated from within, casting a warm glow. The building's facade is a mix of light-colored panels and dark window frames. In the foreground, there is a paved area with a curved path and a metal railing. A small, illuminated pillar stands on the left. The sky is a deep blue, suggesting twilight. The overall scene is a high-quality architectural photograph.

9. RESIDENTIAL SECTOR

RESIDENTIAL SECTOR

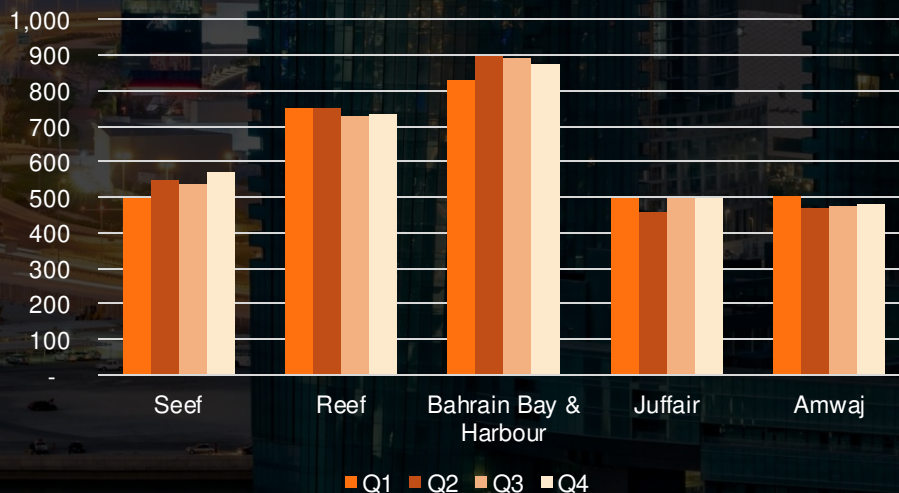
APARTMENT RENTALS

One Bedroom

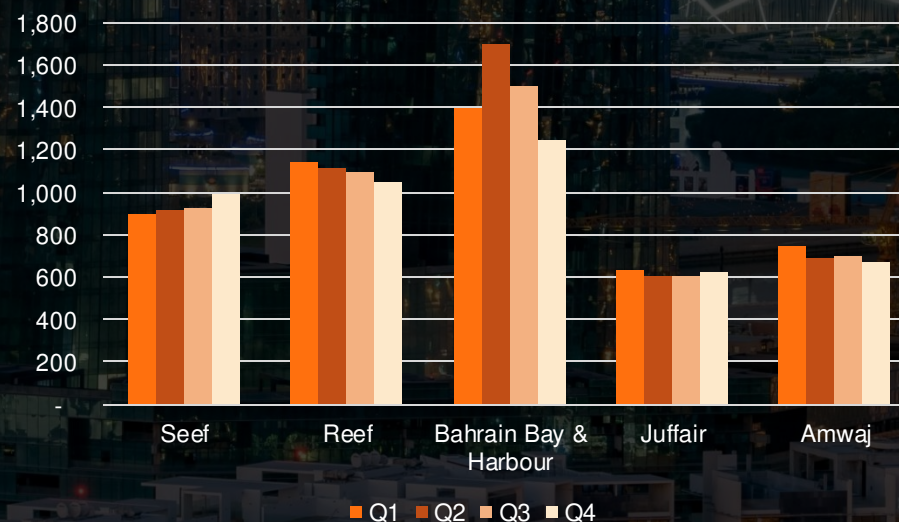


The Q4 2024 rental market in Bahrain saw a mix of stability and moderate adjustments with Seef experienced a minor dip to BHD 430 but Reef rose to BHD 585 with Bahrain Bay & Harbour adjusted to BHD 525 maintaining its premium positioning. Juffair and Amwaj remained stable at BHD 370 and BHD 355, respectively. Two-bedroom rentals followed a similar trend, with Seef increasing to BHD 570, Reef holding at BHD 735, and Bahrain Bay & Harbour adjusting to BHD 875 while Juffair and Amwaj settled at BHD 500 and BHD 480, attracting mid-range tenants. In the three-bedroom segment, Seef led with a rise to BHD 990, Reef adjusted to BHD 1,050, while Bahrain Bay & Harbour repositioned at BHD 1,250 maintaining its luxury appeal. Juffair and Amwaj remained stable at BHD 620 and BHD 670, respectively.

2 Bedrooms

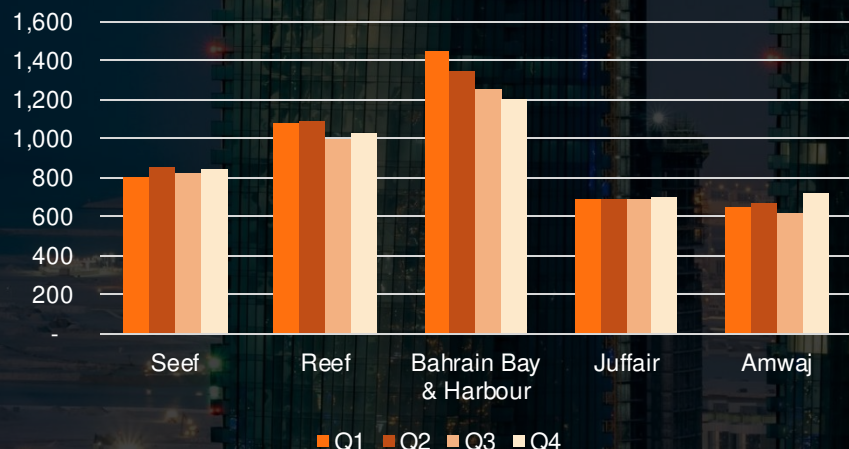


3 bedrooms



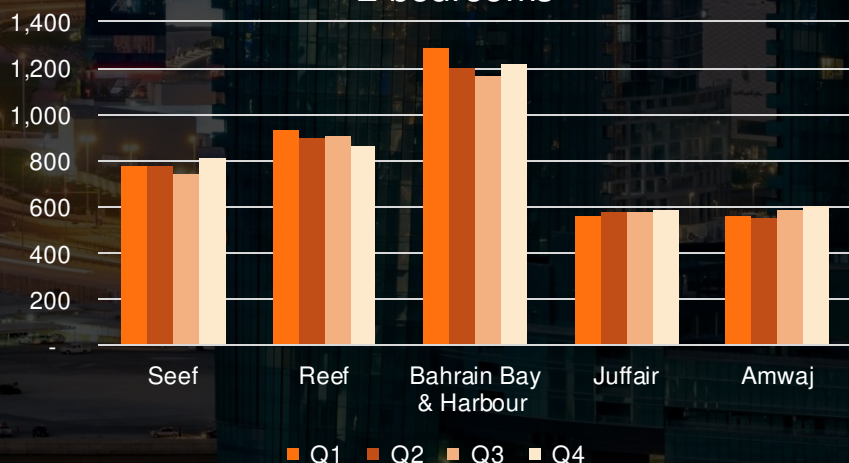
RESIDENTIAL SECTOR APARTMENT SALES

One bedroom

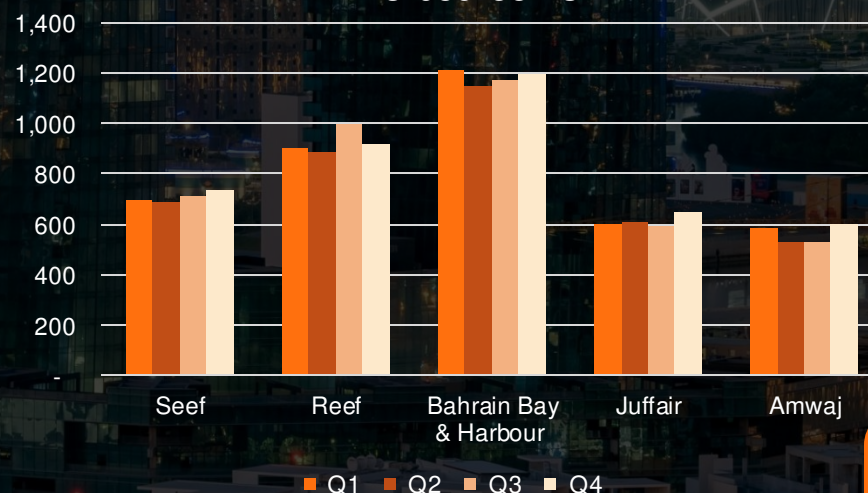


The Q4 2024 apartment sales market in Bahrain reflected a mix of stability and price adjustments, aligning with evolving buyer demand and market conditions. One-bedroom apartments in Seef saw a modest increase to BHD 840 while Amwaj rebounded to BHD 725, reversing earlier declines. In the two-bedroom segment, Seef experienced a recovery to BHD 815, and Bahrain Bay & Harbour saw a minor uptick to BHD 1,215 suggesting steady interest in premium locations. Three-bedroom properties displayed mixed trends; Reef corrected to BHD 915, while Juffair and Amwaj strengthened to BHD 650 and BHD 600, respectively.

2 bedrooms



3 bedrooms



RESIDENTIAL SECTOR

RESIDENTIAL VILLAS

The villa rental and sales sectors show varied trends across key residential communities such as Riffa Views, Diyar Al Muharraq, Amwaj Islands, and Durrat Al Bahrain. These fluctuations highlight the adaptability of the market and provide insight into the preferences of both investors and tenants looking for premium properties.

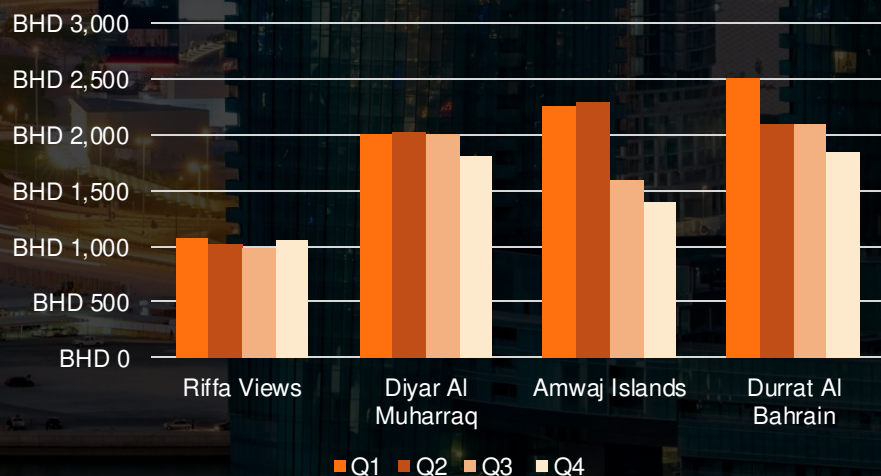
Villa Rentals

The Q4 2024 villa rental market in Bahrain showed varied adjustments across key locations. Riffa Views rebounded to BHD 1,050 while Diyar Al Muharraq saw an adjustment to BHD 1,800, indicating more units are handed over and leased in the secondary market. Amwaj Islands and Durrat Al Bahrain adjusted to BHD 1,400 and BHD 1,850, respectively, maintaining competitive rental offerings. Overall, the villa rental segment continues to adapt to shifting tenant preferences and market conditions.

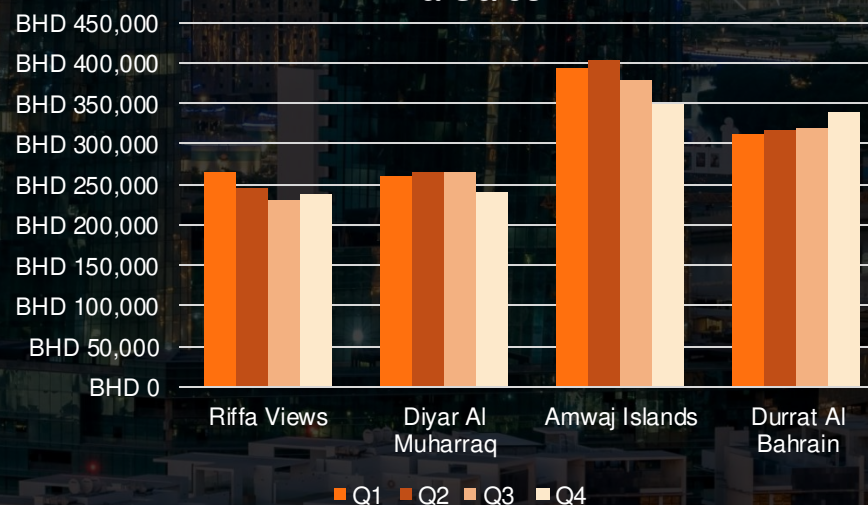
Villa Sales

The Q4 2024 villa sales market in Bahrain reflected a mix of stability and recalibration across different locations. Riffa Views saw a modest rise to BHD 238,000, while Diyar Al Muharraq adjusted downward to BHD 240,000, aligning with more affordable units completed and offered in the market. Amwaj Islands experienced a continued softening, settling at BHD 350,000, whereas Durrat Al Bahrain gained momentum, increasing to BHD 340,000 signalling continued developments and sustained interest in the area. The market remains dynamic, catering to varied investor and homeowner preferences.

Villa rentals



Villa Sales

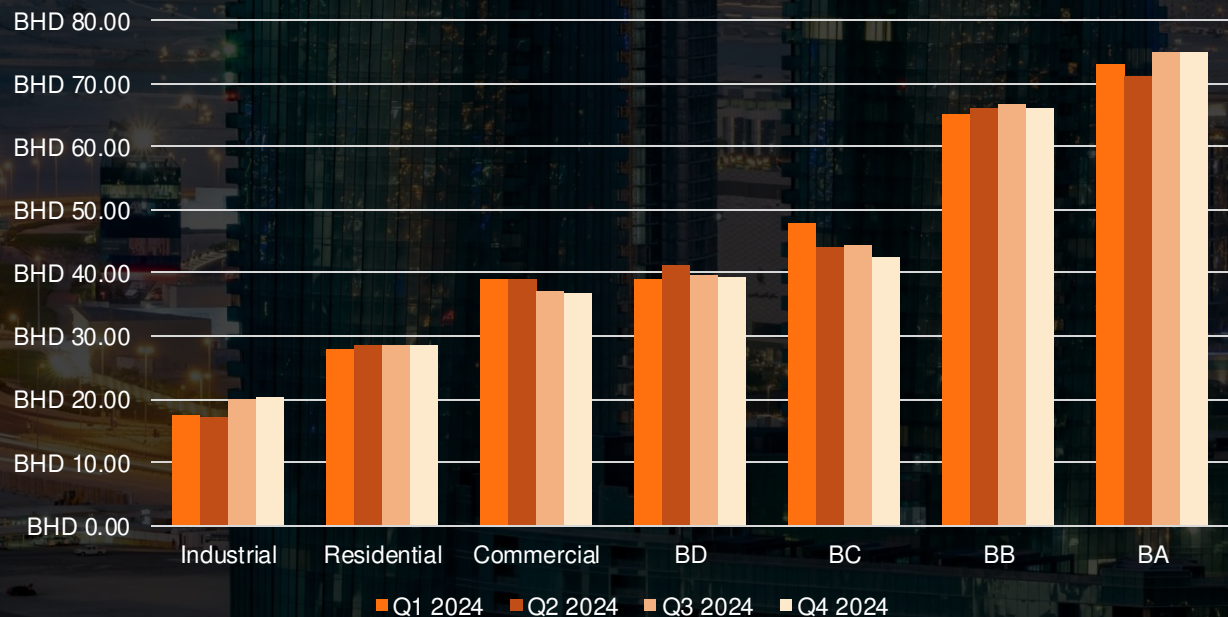




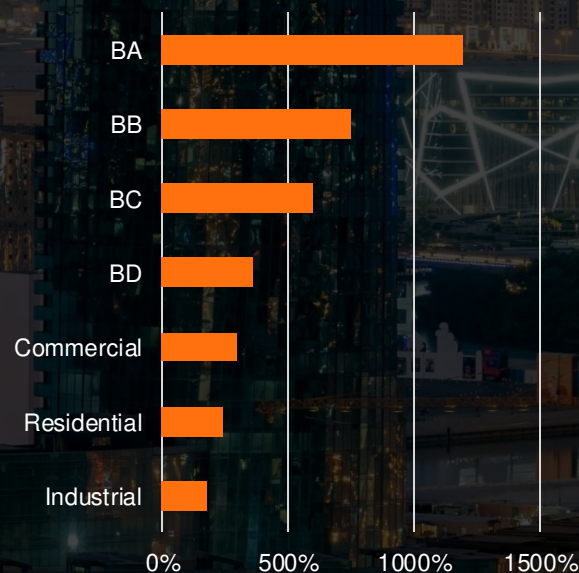
10. LAND SALES

LAND SALES

- The Q4 2024 land market in Bahrain exhibited a mix of stability, growth, and minor adjustments across various zoning categories. Industrial land continued its upward momentum, reaching BHD 20.45, while residential land remained stable at BHD 28.60, reflecting sustained demand. Commercial plots saw a slight adjustment to BHD 36.70, indicating a recalibration in investor sentiment. Higher-end zones such as BB and BA maintained their premium standing at BHD 65.87 and BHD 75.00, respectively. Meanwhile, BD and BC experienced minor declines, adjusting to BHD 39.45 and BHD 42.56, respectively. The market continues to present a range of investment opportunities, with industrial and residential plots showing resilience.



Zone - Built Percentage





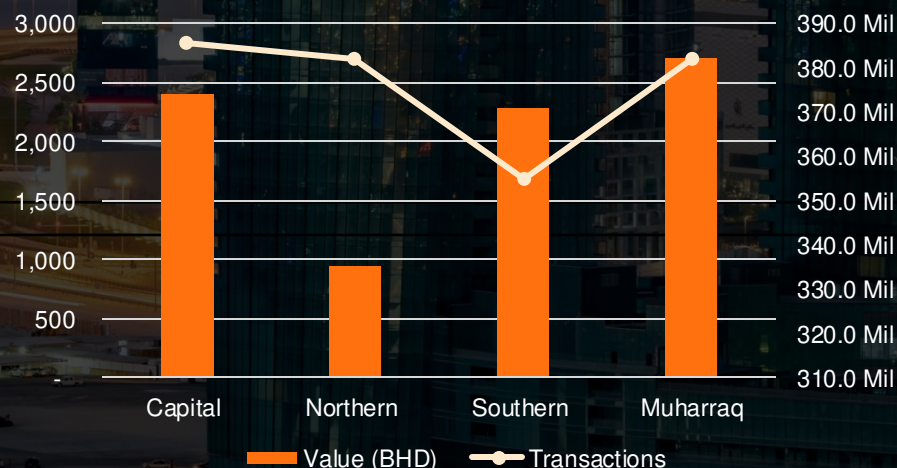
11. YEAR 2024 OVERVIEW (RERA AQARI)

YEAR 2024 OVERVIEW (RERA AQARI)

Real Estate Activity Overview by Governate

Bahrain's real estate market displayed regional variations in transaction volume and sales value, reflecting diverse investment trends. Muharraq led in total sales value (BHD 382.4 million) despite having fewer transactions (2,692), indicating high-value property deals. The Capital Governorate recorded the highest transactions (2,825) with BHD 374.2 million in sales, maintaining its position as a key investment hub.

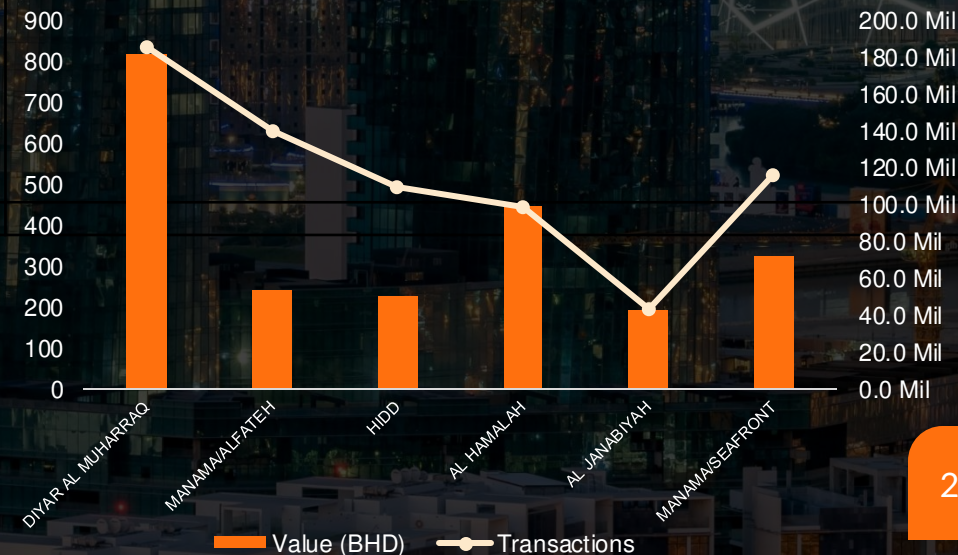
The Southern Governorate had the lowest transaction volume (1,675) but a strong total value (BHD 371 million), suggesting a preference for luxury and large-scale properties. Meanwhile, the Northern region saw a high number of transactions (2,699) but the lowest total value (BHD 335.3 million), indicating more mid-range property activity.



Top performing areas

Diyar Al Muharraq emerged as the top area for real estate transactions, recording 834 deals with a total value of BHD 181.7 million, indicating strong demand for properties. Hamalah followed in value terms, reaching BHD 98.8 million from 442 transactions, reflecting premium real estate activity and interest. Manama Seafront also performed well, generating BHD 72 million from 521 transactions, suggesting steady interest in waterfront properties.

While Manama/Al Fateh and Hidd saw higher transaction volumes (629 and 492, respectively), their total values were relatively lower (BHD 53.9 million and BHD 50.1 million), indicating more mid-range and affordable investments. Al Janabiyah had the lowest number of transactions (195), yet maintained a respectable total value of BHD 42.4 million, reflecting a preference for high-value properties in this area.



YEAR 2024 OVERVIEW (RERA AQARI)

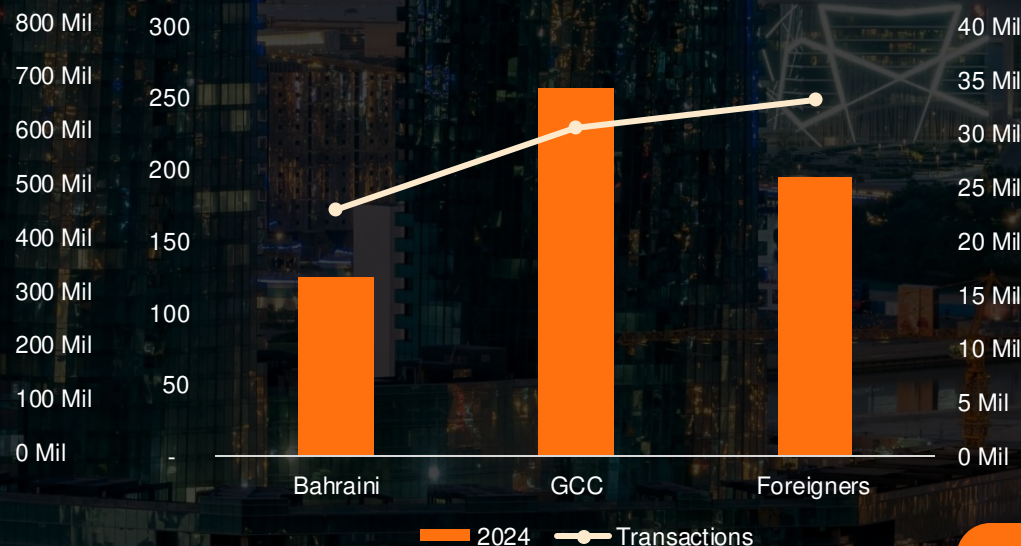
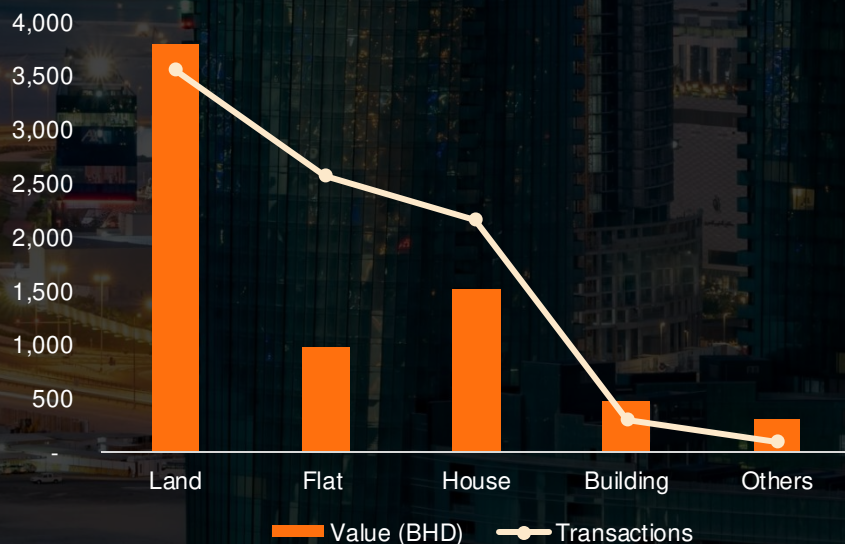
Performance by Property Types

Land sales dominated the market, accounting for 3,549 transactions with a total value of BHD 755.39 million, reflecting the continued demand for land investments and development opportunities. House sales followed, with 2,157 transactions totalling BHD 303.98 million highlighting sustained interest in standalone residential properties. Flats remained a key segment, generating BHD 193.65 million from 2,561 transactions.

Buildings saw lower transaction volumes (295) but contributed BHD 94.43 million, suggesting a focus on revenue generation and long-term investments. Other property types accounted for 91 transactions, collectively valued at BHD 59.7 million, capturing niche investments.

Off-plan Sales Overview

Off-plan property sales in Bahrain remain attractive to a diverse pool of investors, with foreign buyers leading the market, accounting for 248 transactions valued at BHD 26 million. GCC nationals followed closely, with 228 transactions totalling BHD 34 million, reflecting sustained regional interest in Bahrain's high value segment. Bahraini buyers recorded 171 transactions amounting to BHD 17 million, indicating steady local participation. The data highlights Bahrain's continued appeal as a property investment destination, particularly among regional and international buyers.



A photograph of a hotel reception area. In the foreground, a woman with long blonde hair, wearing a dark blazer, is interacting with a hotel employee behind a wooden reception desk. The employee, a woman with brown hair in a bun wearing a light blue shirt, is smiling and using a payment terminal. To the left, a man in a red vest and white shirt is standing near a luggage cart with several suitcases. The background features a wooden reception counter with the word "RECEPTION" in large, raised letters above it. The scene is warmly lit, creating a professional and welcoming atmosphere.

12. HOSPITALITY SECTOR

HOSPITALITY SECTOR

Occupancy Rate

- Bahrain's hotel occupancy rates in Q4 2024 demonstrated stability and moderate growth in comparison to previous years. October saw an increase to 56.35% (up from 50.58% in 2023), marking an encouraging start to the quarter. November followed a positive trajectory, reaching 66.97%, showcasing robust demand. December closed the year at 56.09%, maintaining consistency with the previous year while reflecting seasonal fluctuations. These trends underline the sector's strength, benefiting from ongoing tourism campaigns and a steady influx of visitors.

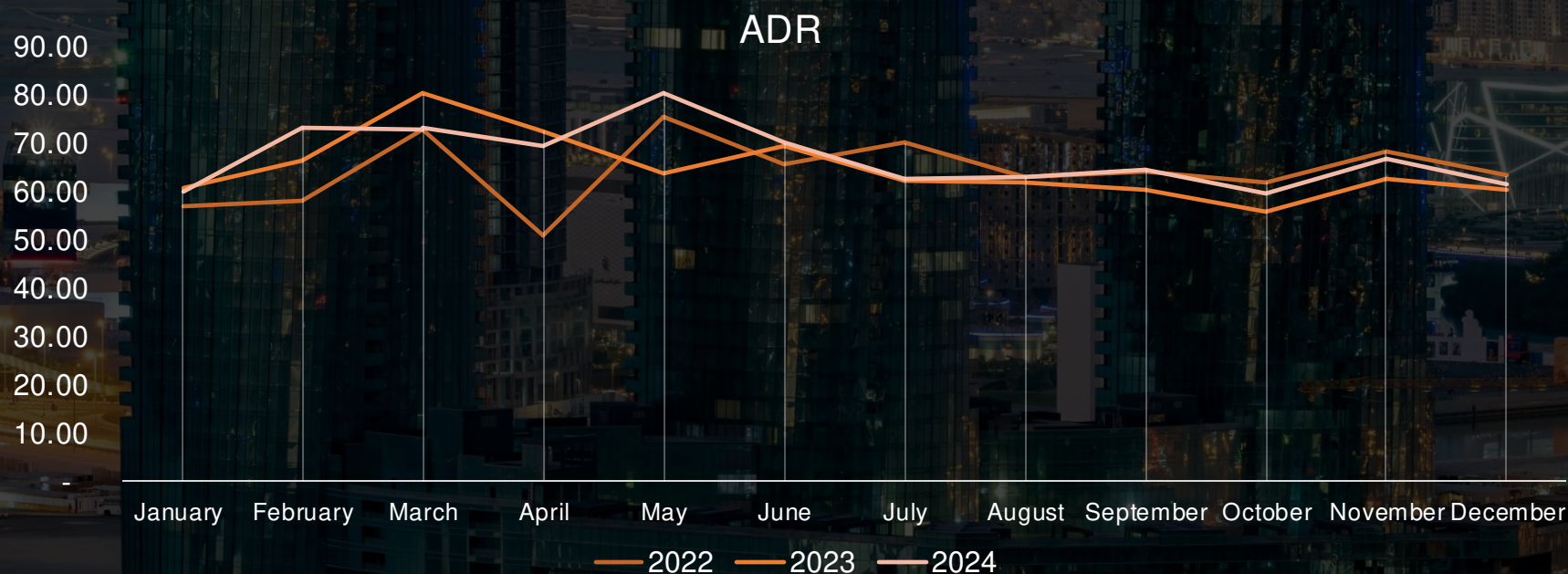
Occupancy Rate



HOSPITALITY SECTOR

Average Daily Rate (ADR)

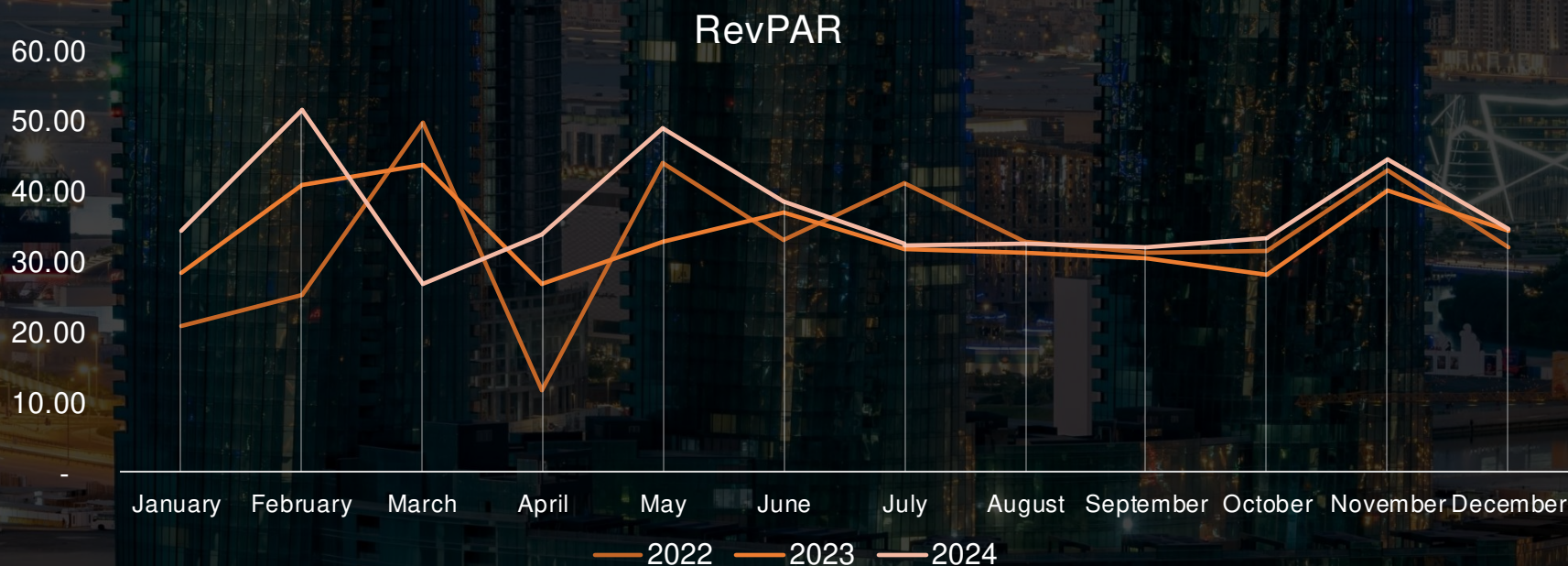
- Bahrain's ADR remained relatively strong, indicating a healthy pricing environment across the hospitality sector. February's ADR rose to 73.24, marking a significant increase from 66.16 in 2023, while May saw a notable jump to 80.30, surpassing previous years. Despite a slight dip in March to 73.06 from 80.18 in 2023, the broader trend suggests consistent revenue potential for hoteliers. October and November also showed modest improvements, closing at 59.28 and 66.46, respectively, underscoring sustained demand for quality accommodation.




HOSPITALITY SECTOR

Revenue per Available Room (RevPAR)

- RevPAR in Q4 2024 showcased a steady recovery, reflecting stronger room occupancy and improved pricing strategies by hotels. October recorded 33.40, rebounding from 28.07 in 2023. November saw an increase to 44.51, reinforcing positive market sentiment. December remained stable at 34.49, indicating steady year-end demand. The quarter's performance aligns with the broader growth trajectory seen throughout the year, driven by strategic tourism investments, increased business travel, and major regional events.



Source: STR data

A night view of the Bahrain skyline, featuring the Bahrain Tower and other modern buildings reflected in the water. The title '13. Sustainability in Bahrain's Real Estate Sector: A Roadmap for the Future' is overlaid in white text, with an orange horizontal line below it.

13. Sustainability in Bahrain's Real Estate Sector: A Roadmap for the Future

Sustainability in Bahrain's Real Estate Sector: A Roadmap for the Future

Introduction

The global real estate industry faces increasing pressure to embrace sustainability. Buildings account for a significant portion of energy consumption and greenhouse gas emissions, making the sector a key player in combating climate change. In Bahrain, where rapid urbanization and a growing population are putting pressure on resources, adopting sustainable practices in real estate is not just an environmental imperative but also an economic and social necessity. This analysis explores the concept of sustainability in Bahrain's real estate sector, examining its benefits, challenges, and opportunities for implementation.

Understanding Sustainability in Real Estate

Sustainable real estate goes beyond just "green buildings." It encompasses a holistic approach that considers environmental, social, and economic factors throughout the entire lifecycle of a building. This includes:

- **Environmental:** Reducing energy and water consumption, minimizing waste, using sustainable materials, and protecting biodiversity.
- **Social:** Enhancing occupant health and well-being, promoting accessibility and inclusivity, and contributing to the community.
- **Economic:** Improving financial performance, reducing operating costs, and increasing asset value.

Sustainability in Bahrain's Real Estate Sector: A Roadmap for the Future

Benefits of Sustainable Real Estate in Bahrain

Adopting sustainable practices in Bahrain's real estate sector offers numerous benefits:

- **Environmental Preservation:** Reducing carbon emissions, conserving water resources, and minimizing waste contribute to a healthier environment and mitigate the impacts of climate change, which is particularly crucial for an island nation like Bahrain.
- **Economic Growth:** Sustainable buildings attract tenants and investors, leading to higher occupancy rates, increased rental income, and enhanced property values. Green building certifications can also provide a competitive advantage in the market.
- **Improved Occupant Well-being:** Sustainable design features like natural lighting, improved ventilation, and thermal comfort enhance occupant health, productivity, and satisfaction.
- **Social Responsibility:** Sustainable real estate projects can contribute to community development by creating jobs, supporting local businesses, and providing affordable housing options.

Sustainability in Bahrain's Real Estate Sector: A Roadmap for the Future

Challenges and Opportunities in Bahrain

While the benefits of sustainable real estate are clear, several challenges need to be addressed in the Bahraini context:

- **Lack of Awareness:** Raising awareness among developers, investors, and the public about the benefits and importance of sustainable practices is crucial.
- **Cost Barriers:** The initial costs of implementing sustainable technologies and materials can be higher, although these costs are often offset by long-term savings.
- **Regulatory Framework:** Strengthening building codes and regulations to incentivize sustainable construction and renovation is essential.
- **Market Demand:** Creating a strong market demand for sustainable buildings through green building certifications and consumer education is crucial.

Despite these challenges, Bahrain has significant opportunities to become a leader in sustainable real estate:

- **Government Support:** The government's commitment to sustainability, as reflected in its Economic Vision 2030, provides a favorable environment for promoting green building practices.
- **Growing Tourism Sector:** Sustainable practices can attract environmentally conscious tourists and enhance Bahrain's image as a responsible destination.
- **Innovation and Technology:** Embracing new technologies and innovative building materials can drive sustainable development in the real estate sector.

Sustainability in Bahrain's Real Estate Sector: A Roadmap for the Future

Recommendations for Adopting Sustainability

To accelerate the adoption of sustainable practices in Bahrain's real estate sector, the following recommendations are crucial:

- **Develop a Comprehensive Green Building Code:** Implement mandatory green building standards for new constructions and major renovations, incentivizing the use of sustainable materials and technologies.
- **Promote Green Building Certifications:** Encourage developers to pursue certifications like LEED or BREEAM, which provide recognition and market value for sustainable buildings.

Conclusion

Sustainability in Bahrain's real estate sector is not just a trend but a necessity for ensuring a resilient and prosperous future. By embracing sustainable practices, Bahrain can reduce its environmental footprint, enhance economic growth, and improve the quality of life for its citizens and residents. Bahrain can create a thriving and sustainable built environment for generations to come through collaborative efforts between the government, private sector, and the public.

An aerial architectural rendering of a modern city skyline. The scene features a central waterway with a large island in the foreground. The island is densely packed with various buildings, including a prominent tall, dark skyscraper. To the left, there's a marina with several boats docked. To the right, a large, curved building complex is visible. The background shows more skyscrapers and a bridge. The overall color palette is dominated by blues, greys, and greens.

14. OFF PLAN SALES PROJECTS

OFF PLAN SALES PROJECTS



There are currently 20 developments which are active off plan sales project in the Kingdom of Bahrain. The below table tabulates the value of each approved off plan sale project.

Project Name	Status	Project_Location	Developer_Name_Eng
Difaaf	Active	Manama / SEA FRONT	Reef Venture Real Estate W.L.L.
Al Sidra - Phase 1 (89 units)	Active	Diyar Al Muharraq	BIN FAQEEH REAL ESTATE INVESTMENT CO. W.L.L
Layan	Active	Durrat Marina	BIN FAQEEH REAL ESTATE INVESTMENT CO. W.L.L
Somewhere Tower	Active	Al Burhama	BIN FAQEEH REAL ESTATE INVESTMENT CO. W.L.L
Golden Gate	Active	Manama / SEA FRONT	GG DEVELOPERS W.L.L.
Amwaj Beachfront - Townhouses	Active	Amwaj	ESTERAD AMWAJ CO WLL
Private Residences Bahrain Bay	Completed- 5% retention stage	Manama / SEA FRONT	BAHRAIN BAY DEVELOPMENT V W.L.L
Marassi Terraces	Active	Diyar Al Muharraq	Eagle Hills Diyar W.L.L.
Seef Avenues 2	Completed- 5% retention stage	Manama / SEA FRONT	Kooheji Contractors- Development W.L.L Company
Marassi Bay	Active	Diyar Al Muharraq	Eagle Hills Diyar W.L.L.
Al Naseem Phase 3	Active	Diyar Al Muharraq	DIYAR AL NASEEM REAL ESTATE W.L.L
ONYX SKY VIEW	Active	Manama / SEA FRONT	Kooheji Contractors- Development W.L.L Company
Kadi Eco Tower	Active	Manama / Al Fateh	KADI GROUP W.L.L
Orchid Beach Residences	Active	Manama / SEA FRONT	ORCHID BUILDING CONTRACTING W.L.L
Palace Residences Marassi Al Bahrain	Active	Diyar Al Muharraq	EAGLE HILLS DIYAR COMPANY W.L.L.
Amwaj Beachfront - Towers	Active	Amwaj	ESTERAD AMWAJ CO WLL
Jawharat Al Murjan	Active	Durrat AlBahrain	Durrat 4 W.L.L
Bahrain Marina Residences	Active	Manama / AlCorniche	BAHRAIN MARINA RESIDENCE COMPANY W.L.L
Marina Bay	Active	Manama / SEA FRONT	SOUTH EAST REAL ESTATE W.L.L
Onyx Water Garden	Active	Manama / SEA FRONT	Kooheji Contractors- Development W.L.L Company



15. OUTLOOK FOR 2025

The Gulf Cooperation Council (GCC) economies are poised for notable growth in 2025, driven by strategic diversification efforts and anticipated adjustments in oil production. Below is an overview of the projected GDP growth for each GCC member state:

Saudi Arabia: The International Monetary Fund (IMF) has revised Saudi Arabia's GDP growth forecast for 2025 to 3.3%, down from earlier projections, primarily due to extended oil production cuts. Despite this adjustment, the Kingdom continues to pursue economic transformation plans to bolster non-oil growth.

United Arab Emirates (UAE): The UAE's economy is expected to expand by 5% in 2025, outperforming the global growth forecast of 3.2%. This growth is underpinned by robust non-oil economic activities and strategic investments in sectors such as tourism and finance.

Qatar: Qatar's GDP is projected to grow by 4.1% in 2025-2026, driven by increased gas production capacity and ongoing infrastructure developments.

Oman: Oman's economic growth is projected to average 3% over 2025-2026 as oil output rises and diversification efforts in non-oil sectors take effect.

Kuwait: Kuwait's economy growth is expected to rebound to 2.6% over 2025-2026, supported by rising oil output and accelerated infrastructure projects.

Bahrain: Bahrain's economic growth is expected to stabilize at 3.3%, aligned with increases in oil sector output.

Overall, the GCC region is forecasted to experience a significant economic acceleration, with growth rates increasing to 4% in 2025. This positive outlook reflects the region's resilience and strategic initiatives aimed at economic diversification and sustainable development.

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