

RAMCO: The Downward Trend in Residential Sale Prices Continued in 2015

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According to RAMCO, the sale prices of apartments under construction in Beirut have decreased by 1.2% in 2015, compared to a slower 0.7% drop in 2014. Through its Residential Price Index of Beirut, the real estate advisory firm highlighted “the downward trend of the Lebanese real estate market in Beirut that has been in a slowdown phase within a difficult economic, political, and security context”. The study covering 248 residential buildings under construction in 61 neighborhoods across Municipal Beirut, showed that 29.8% of the projects under construction have adjusted their prices downward, while 13.3% have increased their asking sales’ prices. However, the majority of the projects under construction (56.9% of total projects) have kept their prices unchanged in 2015. This figure showed that developers prefer to post the same asking sales prices as in 2014 thus being flexible with serious buyers only, instead of openly announcing a drop in their prices.

Evolution in Asking Sales Prices

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Year	2015		2014	
Description	Number of Projects	Share of Stock (%)	Number of Projects	Share of Stock (%)
Increase	33	13.3	60	24.1
Stable	141	56.9	121	48.6
Decrease	74	29.8	68	27.3
Total	248	100	249	100
Y-o-Y Change (%)	-1.2		-0.7	

* In Municipal Beirut

Source: RAMCO Sarl – May 2016