

PRESS RELEASE

FOR IMMEDIATE PUBLICATION

MORE THAN 147,000 SQM OF OFFICES UNDER CONSTRUCTION IN BEIRUT

NEARLY 66% OF THE VOLUME OF
NEW OFFICE STOCK IS LOCATED IN ASHRAFIEH

Beirut, 15 July 2013: A recent survey conducted by RAMCO on the office stock currently under construction in Beirut has revealed that **32 office projects** are now taking place in Municipal Beirut, representing a total of **147,871 SQM** of new office space. Eight (8) of these are projects that offer office floors on the lower levels of residential towers. The survey does not take into consideration projects that are being built as headquarters by private companies.

The traditional business destination of the capital, **Beirut Central District** (BCD) has a share of only **25,073 SQM** of new offices currently under construction across just four (4) projects. Around 75% of this new stock will be placed on the rental market and is not offered for sale. Asking sales prices of new offices in BCD stand at around **USD 7,000 per SQM** for a first floor core and shell.

Ashrafieh holds the current record in the volume of offices under construction, with **18 projects** out of the total 32 being built mainly around **Corniche el Nahr, Adlieh, and Badaro**. This new stock represents **66% of the total upcoming volume of offices** taking place across Municipal Beirut. Corniche el Nahr in particular is quickly turning into a new business destination, as it was one of the rare non-allotted, undeveloped neighborhoods. As a former industrial zone, it is not well-suited for residential developments, and quickly took on a commercial stamp. Average asking sales prices stand around **USD 3,500 per SQM**, depending on the project's exact location.

Only **two (2) office buildings** are under way in Ras Beirut (Hamra and Clemenceau). The two developments cater predominately to demand for clinics by the medical community, being located within very close proximity to the major medical centers of the area. The relatively limited supply pulls average prices upward to between **USD 5,000 and USD 5,500 per SQM**.

"Commercial projects became financially interesting to developers after the residential market entered a phase of slowdown. In parallel, the price of offices increased due to the scarcity of new, modern office stock on the market. Demand for small offices is steady. It comes from doctors, lawyers, and local companies," says Karim Makarem, Director of RAMCO.

- Ends -



Overview of Office Projects under Construction*				
Office Projects	BCD	Ashrafieh	Western Beirut	Municipal Beirut
Number of Projects	4	18	10	32
Total BUA	25,073	97,491	25,307	147,871

* In Municipal Beirut

Source: RAMCO sarl - Sep 2013

About RAMCO sarl – Real Estate Advisers:

RAMCO is a full line real estate advisory company, providing agency, marketing, and consultancy services. The company's extensive professional networks and long-standing knowledge of the market offers its customers unparalleled market insight and matching services. RAMCO's knowledge center makes the firm's expertise accessible to a wider public thanks to regular in-house publications and contributions to the local and international media.

RAMCO's activities cover Land Acquisition & Disposal, Project Marketing & Placement, Sales & Lettings (across Residential, Retail & Office sectors), Consultancy & Advisory services, Professional Valuation, and Research & Publication.