

PRESS RELEASE

The average price of a new apartment in Beirut: USD 594,639

Beirut, 1 November 2018: A new study by Real Estate Advisory Firm RAMCO reveals that the average listed price of a first-floor apartment under construction in Beirut is **USD 3,359 per SQM**.

The market survey was carried out on a panel of 252 buildings under construction within Municipal Beirut. Projects under construction are on average 13-floor high, which means that the average apartment is located on a 6th floor.

Since the average size of a new apartment currently stands at 182 SQM and since the average increment per floor stands at USD 75 per SQM, the average value of a new apartment is of USD 679,588 prior to negotiation.

"Negotiation margins vary from one developer to the next. Some developers resist market pressures and are not very flexible on pricing, while others are more flexible. Some of the highest discounts exceed 20%. On average, however, we estimate that discounts on listed prices vary between 10-15%, which means that the average value of an apartment under construction stands at **USD 594,639** after negotiation," says Raja Makarem, Founder & Managing Director of RAMCO sarl.

The drop in the average value of new apartments in Beirut is due to the growing negotiation margins within the current slowdown of the real estate market of Beirut. It has also been affected by the reduction of offered sizes, which have been shrinking over time. Between 2009 and 2017, the average size of a new apartment shrunk by 128 SQM. Apartments larger than 250 SQM have thus become a rare product.

"Naturally, the most expensive neighbourhoods are those located in the Beirut Central District (BCD) and along the coast, with prices that start around USD 5,000 per SQM. On the contrary, in the vast majority of neighbourhoods in the Capital City of Beirut, prices of apartments under construction vary between USD 2,000-3,000 per SQM, depending on the floor level," says Mr. Makarem.

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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.