

## SURVEYS

### AVERAGE SIZE OF APARTMENT UNDER CONSTRUCTION IN BEIRUT SMALLER BY 5% IN 2018, SAYS RAMCO

According to a recent report by real estate advisory agency RAMCO, the average size of an apartment under construction in Beirut stood at 173 sqm in 2018, smaller by 5% than the 2017 average.

During the past several years, developers have been constantly reducing the sizes of new apartments. Between 2013 and 2018, the average apartment has lost 79 sqm, which corresponds to a drop of around US\$ 250,000 from budgets.

Currently, the average apartment size stands at 173 sqm, with three bedrooms, of which one is a master bedroom. Thus, size reductions have mostly eaten away from the sizes of the living/reception areas, the kitchen, and the bedrooms.

It is worth noting that the latter keep shrinking year-on-year, with some bedrooms just 2.7 meters wide. The developers' strategy is to keep building apartments that are within the budgets of their clients.

For instance, the growth in the supply of one-bedroom-apartments was one of the first examples of size reductions. Thus, out of a panel of 210 buildings under construction in Municipal Beirut in 2018, thirty-three (33), or 15.7% of the projects, offer apartments measuring between 50 and 99 sqm.

Developers think it is easier to sell smaller than large apartments. Yet, even apartments smaller than 100 sqm are affected by the current crisis, as per the Founder & Managing Director of RAMCO sarl.

The average size of apartments stands at 176 sqm in western Beirut and at 160 sqm in Ashrafieh. Despite the emergence of studios in the most recent developments, Beirut Central District stands apart with an average apartment size at 270 sqm, as per RAMCO.

Thirty-six percent of projects in Ashrafieh offer apartments smaller than 100 SQM. This trend can be seen in one neighborhood out of every two, such as Fassouh, Sayde, and Corniche el Nahr but also in high-end areas, such as Furn el Hayek, where, historically, apartments were large, according to RAMCO.

#### EVOLUTION OF THE AVERAGE SIZE OF A NEW APARTMENT IN BEIRUT

Year	Average Size (sqm)
2018	173
2017	182
2016	198
2015	216
2014	238
2013	252

Sources: RAMCO, Bank Audi's Group Research Department