

The law governing apartment sizes is misleading

At a time when everyone is talking about the new rental liberalization law, there exists another law that merits revisiting: the code of construction for the square meter of apartments. As everybody knows, owning a property is becoming harder for young couples who are being penalized by this law. In effect one has to count a minimum of 120 SQM for a two-bedroom apartment. Despite the optimization of living spaces, architects are unable to produce smaller sizes. They remain restricted by the law, which incorporates all common spaces and the thickness of walls into the sellable surface area. Whatever the size of the apartment, buyers will end up paying for space that they cannot use.

One example from Ashrafieh highlights clearly the scale of the problem. With a sellable area of 260 SQM, the interior space, including the thickness of the walls and balconies, is 166 SQM. The rest of the space is divided between the two staircases of the building (39 SQM), the flower beds (11 SQM), the thickness of the exterior walls (23 SQM), and the technical spaces (22 SQM).

Therefore, with a listed price of USD 3,700 per SQM for the first floor, the cost to the future owner of the space occupied by the shafts alone amounts to USD 81,400 . Why should buyers be paying such a high price for these spaces, which finally are not costing the developer a great deal to build?

With the aim of greater transparency, would it not be possible to apply a 'Carrez Law' in Lebanon? Such a law was adopted in France in 1996 to protect property buyers. This law imposes upon the seller of the apartment to stipulate the usable area of the property, that is to say the covered floor area and enclosed spaces after deducting the space occupied by the walls, balconies, partitions, stairs and stairwells, shafts, etc.

If we apply this method to our apartment in Ashrafieh, the livable area would be 138 SQM, excluding the balconies. The sales price would remain the same, namely USD 962,000 for the first floor, but the price per square meter would become USD 6,971. Therefore, the price of the square meter in several areas of Beirut would be more expensive than several areas of Paris!

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