

Licensed areas for construction

During the first five months of the year 2004, the areas released for construction reached 3,405,346m² with an increase of 9.8% of the period of the year 2003.

The Mount of Lebanon received 45.8% of the total licensed area for construction, followed by North of Lebanon 19.9%, South Lebanon 14.8%, Beirut 13.8%, and Bekaa 5.7%

The construction and Real Estate during the first half of the year 2004

The construction and real estate improvements were the most important indications and incentives to the economical growth in the first half of the year 2004. The optimistic forecast and the success of the touristic sector this year plus the export figures (particularly to Iraq) have seriously encouraged the investment and led to increased demand on the residential units of high and International standard.

The supply of residential units still exceeds the demand though the demand of the Gulf citizens has been quite noticeable this Summer and the trend is towards higher demand and rise in prices.

Boom time is underway

Since the end of the war, the real estate market has provided a playground for many investors. For once though, the familiar complaints of previous years of falling prices, stalling demand and over supply are given way to positive prediction and signs. The reasons for this were many but the re-emergence of the Beirut Central District played a pivotal role, providing a destination for tourists with overall security atmosphere; the withdrawal of the Arab investment from the western banks into Lebanese banks; and promising market.

Achrafieh and Ras Beirut for example were affected by the shift of interest and attractive to the "Beirut City" due to their geographical location and had their residential unit prices increase from US\$ 1000/m² to US\$ 1500/m² and even more; areas in the South were similarly affected due to the improved accessibility to the Southern region via International Standard highways. This makes it more attractive to clients, causing demand and prices to rise. Last year, the price of land there ranged between US\$ 100/m² and US\$ 120/m². Today it has increased to US\$ 150/m² and 175/m².

The mountain areas – always a favorite for Gulf citizens – witnessed their own revival too.

More five star hotels, furnished apartments needed

The proof of this is being witnessed by the full occupancy of Beirut Hotels this summer.

Further construction of five star hotels should be focused in Beirut as well in the mountain areas.

With regards to organized firms for furnished apartments, there is a shortage of good quality ones in and outside Beirut and Arab visitors are willing to pay rental for furnished apartments for a whole year.

Luxury apartments in Wadi Abu Jmil and Saifi

- Wadi Abu Jmil is currently in high demand for luxury apartments due to its vicinity to Solidere (Beirut Central District).

An eight-storey development consisting of two luxury duplexes, two luxury triplexes, four terrace and 16 standard apartments, as well as a penthouse will be completed by the end of 2006, but about 10 percent has been sold so far at this construction stage.

Prices range between US\$ 3000/m² and US\$ 4000/m².

- Saifi Pearl is another real estate development on the Gemmayzeh/Saifi border. The residence will offer 11 floors containing four luxury duplexes, 28 standard apartments, and a penthouse.

The price tag varies between US\$ 1500/m² to US\$ 2800/m². The apartments completion is set for early 2007.

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