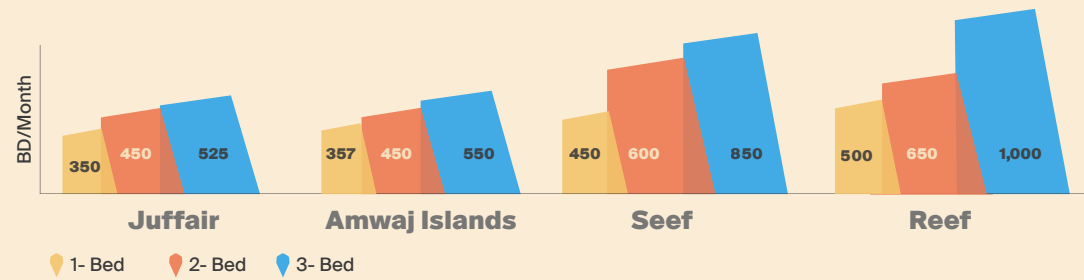


# Bahrain Real Estate Market Review - H1 2022

## Residential Market

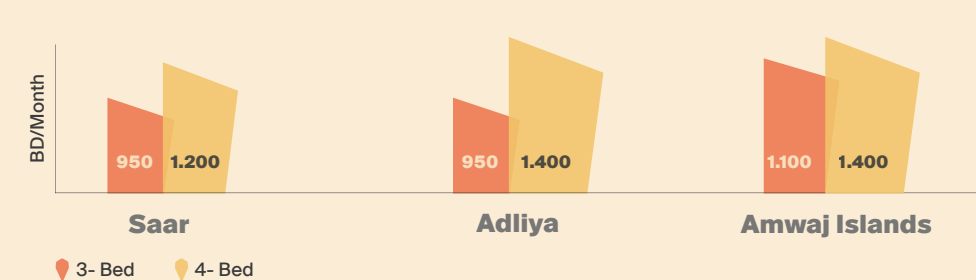
### Average Apartment Rents



Average rental values across apartment rose by 5% on quarterly basis to BD 565 per month.

Source: Knight Frank

### Average Villa Rents

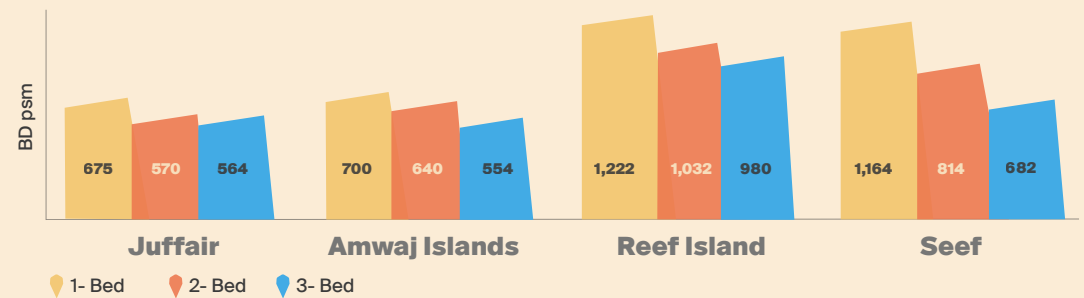


Average monthly villa lease rates have risen by 7.7% in the last three months and stand at BD 1,170

Source: Knight Frank

**Residential transactions increased by 3.2% during Q2 2022 compared to the same period last year.**

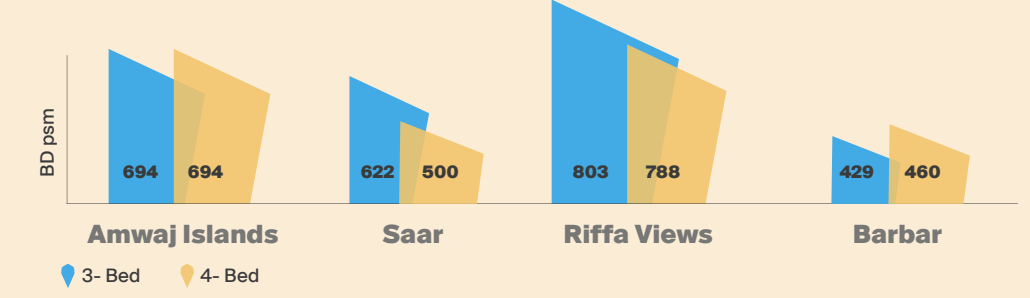
### Average Apartment Sales Prices



The average price of an apartment rose by 4.3%, to BD 810 psm.

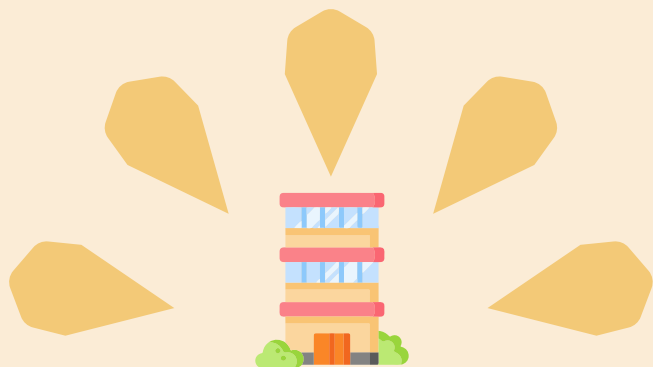
Source: Knight Frank

### Average Villa Sales Prices



The average sales price for villas increased by 4.5% q/q, to BD 625 psm.

Source: Knight Frank



Apartments are becoming more popular than villas, owing to lower unit prices and reduced expenses of upkeep and maintenance.



Reef Island remains the most expensive residential community in Bahrain, owing to its central location.



Like elsewhere in the world the younger demographic prefers community living experiences in mixed-use masterplans.

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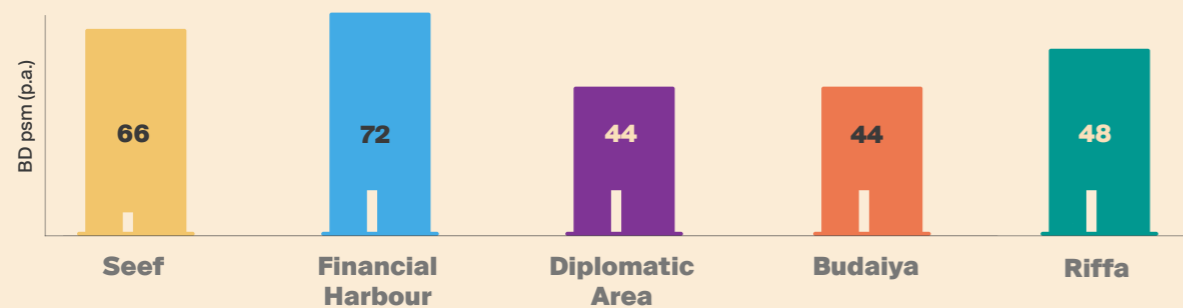
## Commercial Market

### Office Market

Anecdotal evidence suggests that organisations that implemented hybrid working arrangements are now returning to full occupancy, driving up demand.

Bahrain's business environment continues to improve, with new labour laws designed to protect workers as well as employers' rights.

Average Office Lease Rates



The average office lease rates increased by 1.6% q/q to BD 63 psm.

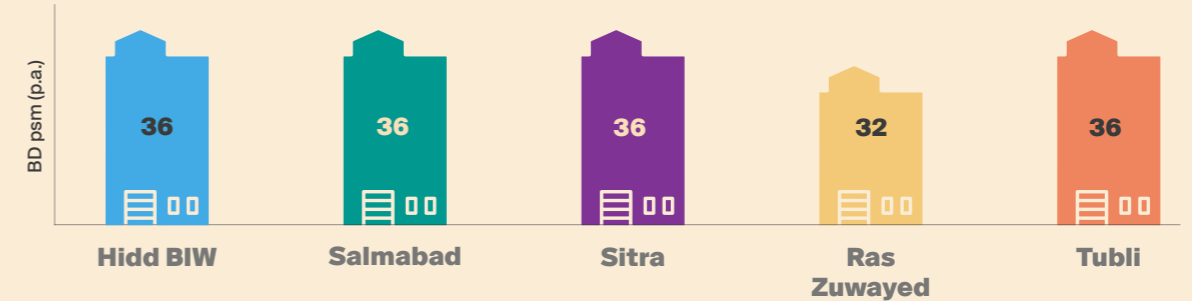
Source: Knight Frank

### Industrial Market

Warehouse facilities at Bahrain Investment Wharf command a premium due to the presence of the LIU cluster around the area.

Higher quality warehouses command a premium and are highly sought. Indeed, Edamah has just broken ground on its 87,382 sqm Sitra Logistics Park to tap into requirements for high-quality warehouses.

Average Warehouse Lease Rates



The average warehouse lease rates declined by 2.2% q/q, to BD 35 psm (p.a.)

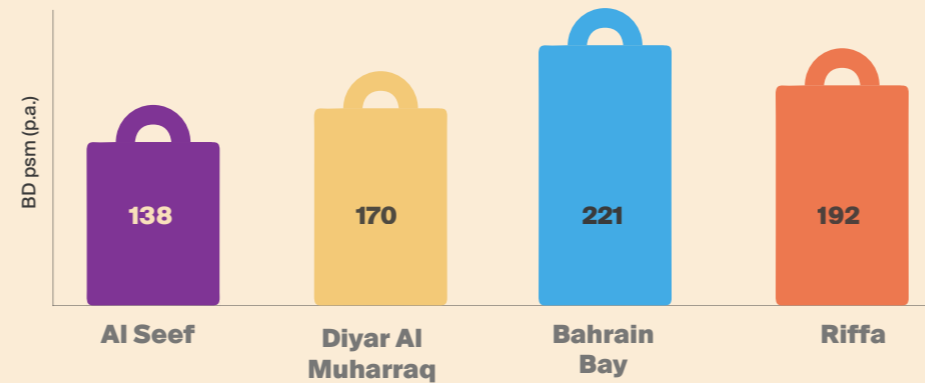
Source: Knight Frank

### Retail Market

Through rent abatement initiatives, more popular malls have been able to weather the COVID-19 pandemic and retain tenants.

New retail supply in Bahrain is likely to continue to trickle onto the market. In fact, Avenues Mall Phase 1 contributed around 40,000 sqm to the overall supply.

Average Retail Lease Rates



Average retail lease rates grew by 4.5% q/q, to BD 180 psm (p.a.)

Source: Knight Frank

Consumers are increasingly interested in developments that combine the pleasures of traditional shopping with new F&B, entertainment, and leisure opportunities.

Bahrain's retail market has experienced increased activity in the first half of 2022, with both lease rates and occupancy levels rising.

Monthly retail rents in Bahrain average between BD 140 to 220 psm (p.a.), with super regional malls commanding rents in excess of this.



For more information, contact us

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