

## Where did we collect data from?

- ✓ Received responses from residents of 7 MENA countries.
- ✓ Majority of responses for the first survey were for the UAE market.
- ✓ We will run the survey every quarter, and as the number of responses increases in other countries, we will be able to provide a more detailed overview of other markets.

## Covid-19

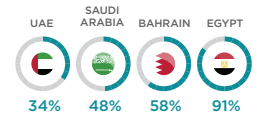


- ✓ Data was collected during March 2020, prior to many of the regional restrictions that have now been put in place due to Covid-19.
- ✓ The survey will be run again at end of Q2 2020.

- ✓ Sentiment is **significantly weaker in the Gulf than in Egypt**, reflecting relative strength of these MENA economies.
- ✓ **Demand in the Gulf has been weak** in the past few years as the governments have sought to implement fiscal controls, lowering and in some cases eliminating deficits that arose after the oil price slumped in late 2014.
- ✓ Only a **minority of respondents in the UAE and Saudi Arabia thought prices and/or rents would either remain the same or increase**. This compares to 91% of respondents in Egypt

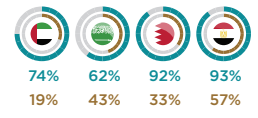
### REAL ESTATE MARKET

EXPECT PRICES TO REMAIN THE SAME OR GO UP IN THE NEXT 6 MONTHS



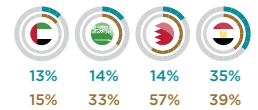
### RENTERS

VIEW THEIR RENT AS EITHER FAIR OR GOOD VALUE MORE LIKELY TO BUY IN THE NEXT 6 MONTHS THAN IN THE PREVIOUS 6 MONTHS



### OWNERS

INTEND TO SELL IN THE NEXT 6 MONTHS INTEND TO REFURBISH IN THE NEXT 6 MONTHS



## Focus on UAE

Overall, sentiment towards the United Arab Emirates real estate market improved in the first quarter of 2020 (prior to the Covid-19 response measures), with the Peninsula Home Sentiment Index rising from 44 to 47.

A score of under 50 represents, on balance, more negative than positive sentiment. With a score of 47, the survey respondents, made up of both renters and homeowners, were signalling their expectation for the real estate market to fall between zero and 5% in the coming 6 months.

Sentiment towards the market is more positive among homeowners than renters. In the past 6 to 12 months, homeowners think the value of their homes decreased by around 10%. Whereas, in the next 6 months, they expect the value of their homes to fall only marginally. Sentiment among renters remains stable, with the expectation of a further 5% decline in rents as leases get renegotiated in the coming 6 months.

## Key Findings

Home Sentiment Index

	Q4 2019	Q1 2020
Overall	44	47
Renters	46	45
Owners	40	49

## Findings from both UAE Owners and Renters

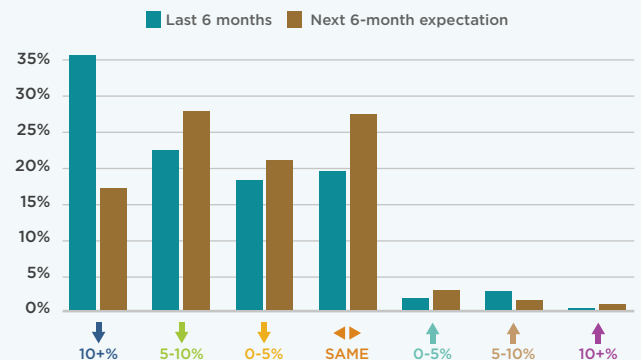
While sentiment remains negative, there were indications that the outlook is improving.

**28%** of responders thought that the market would fall by 5 to 10% in the coming 6 months.

**28%** of responders thought that the market would be stable in the next 6 months.

**6%** of responders expect the market to rise.

### Real estate, past 6 months versus next 6-month expectations



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PENINSULA is an investment and research company that is identifying trends, opportunities and challenges in the MENA real estate market.

ELTIZAM ASSET MANAGEMENT GROUP (Eltizam) is a leading physical asset management company based in the UAE, with an expanding presence across the GCC and MENA regions. Through its group companies, Eltizam provides best-in-class services for the built environment (residential, commercial, retail, industrial and infrastructure asset classes) supporting asset owners to maximize long term returns on assets.

CBRE GROUP, INC. is the world's largest commercial real estate services and investment firm (based on 2019 revenue). CBRE offers a broad range of integrated services, including facilities, transaction and project management; property management; investment management; appraisal and valuation; property leasing; strategic consulting; property sales; mortgage services and development services.

CITYSCAPE INTELLIGENCE, part of Cityscape the world leading global real estate event series, is a brand new content hub that connects the industry to global real estate news and market intelligence.

BERKSHIRE HATHAWAY HOMESERVICES GULF PROPERTIES is the regions premier real estate agency providing expert advice and support to our clients, across many key real estate markets across the world.

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