


# Lebanon Building Activity 2012-2016

## A Statistical Presentation



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# Real Estate Data Analysis Lebanon (2012 – 2016)

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## I. Introduction

The purpose of this study is to analyze real estate data all across Lebanon from 2012 to 2016 and provide visual representations and high level analysis on Beirut and Lebanon. Furthermore, this study will be merged with other studies by Hayek Group and its partners to build forecasting models that can provide some color to the future of the Lebanese real estate economy.

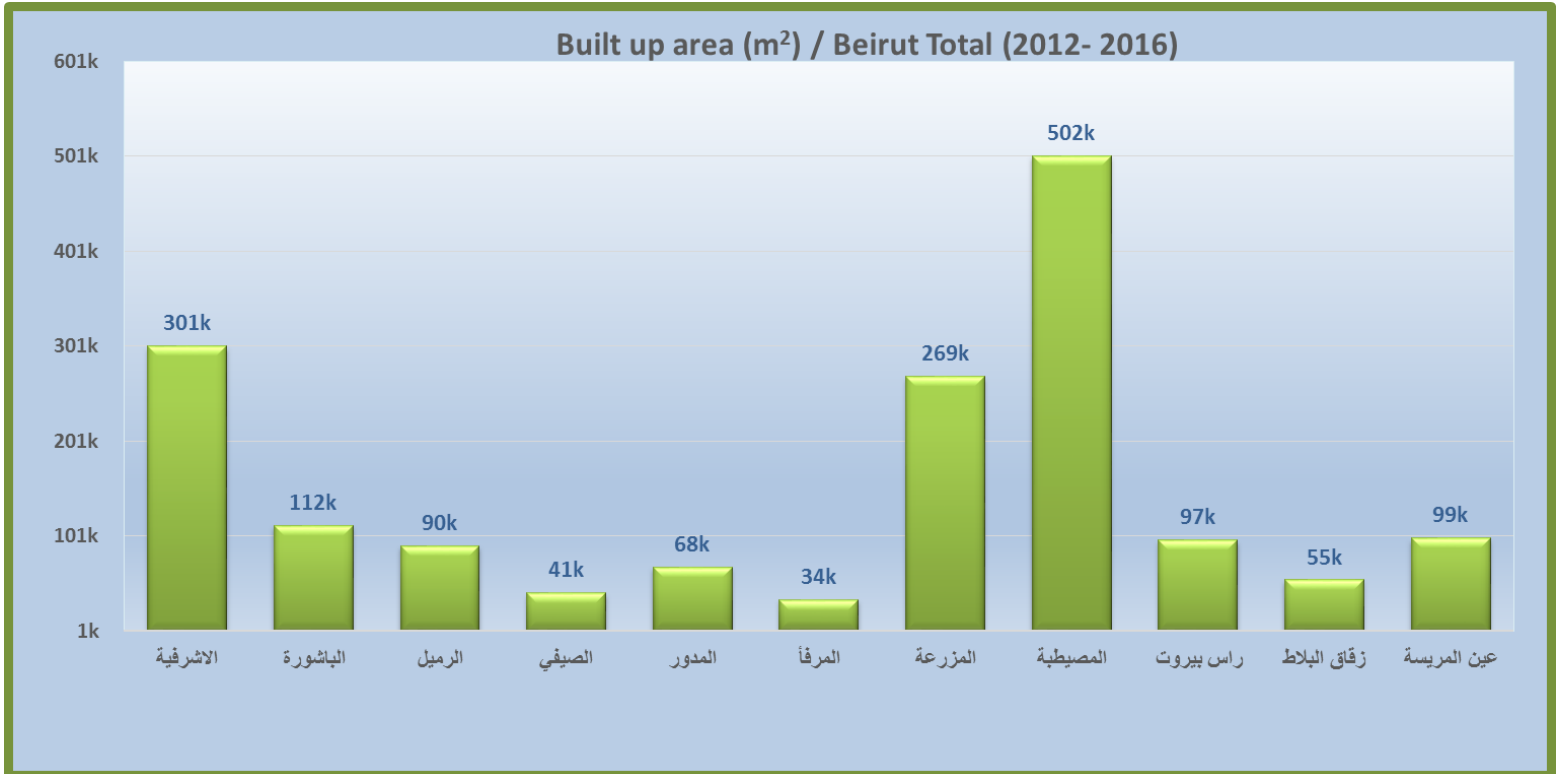
## II. Background

Hayek Group LLC (HG), leaders in civil engineering, procurement and construction (EPC) for buildings and infrastructure projects. HG has a history of almost 60 years in executing prestigious projects thus maintain high reputation for delivering outstanding client value and completing projects on time and within budget. Our services extend across the full range of EPC services, covering design, building construction, project management and promotion of properties in Lebanon and the region. HG is led by a team of experienced engineers, managers and technical experts that specialize in green projects adhered to LEED certification program from the U.S. Green Building Council. Our organization is strongly committed to implementing policies and procedures that reflect a high level of ethical business practices and client satisfaction. As the first property investment website in the Middle East since 1996, HG website has been proven to be simple, friendly, and enjoyable.

### III. Data analysis

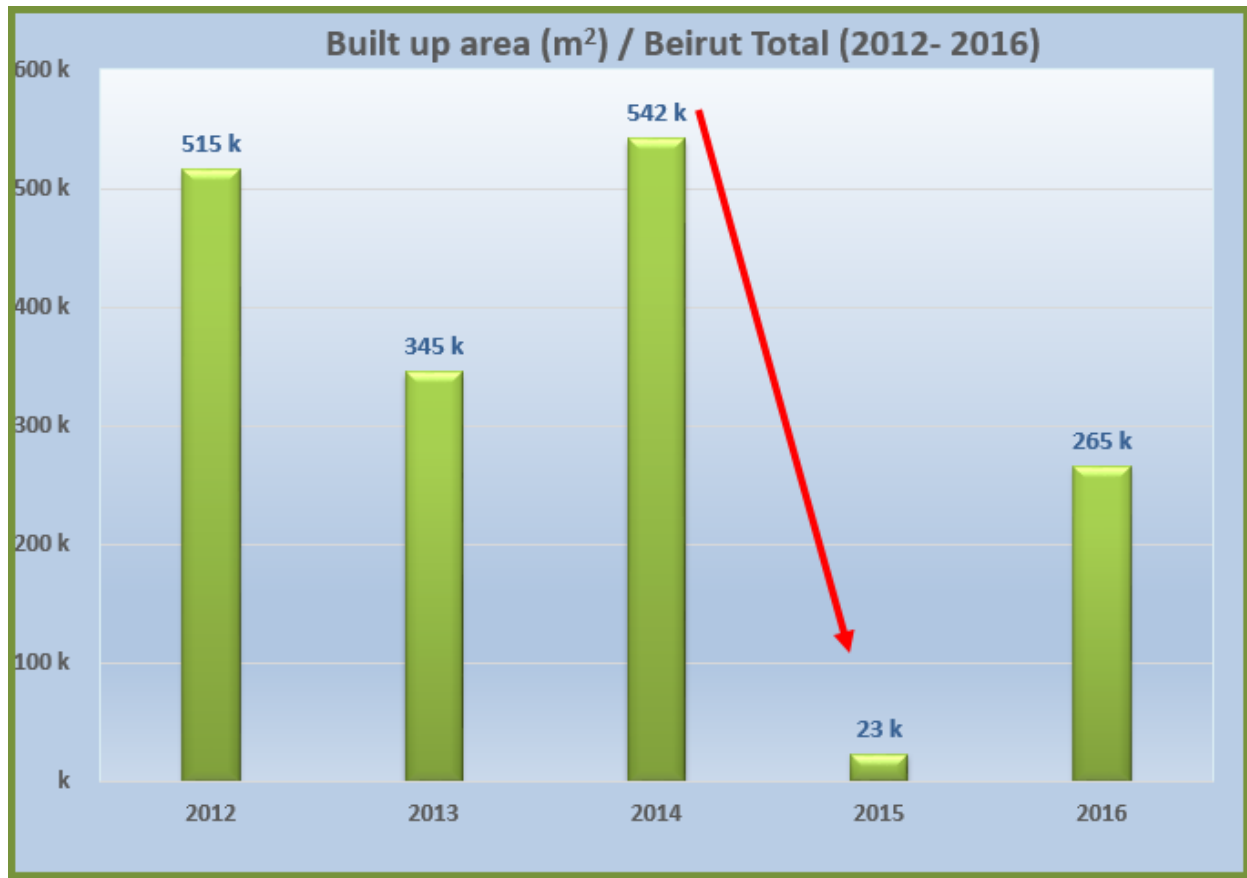
#### 1. Beirut analysis.

##### a. Beirut Build up Area



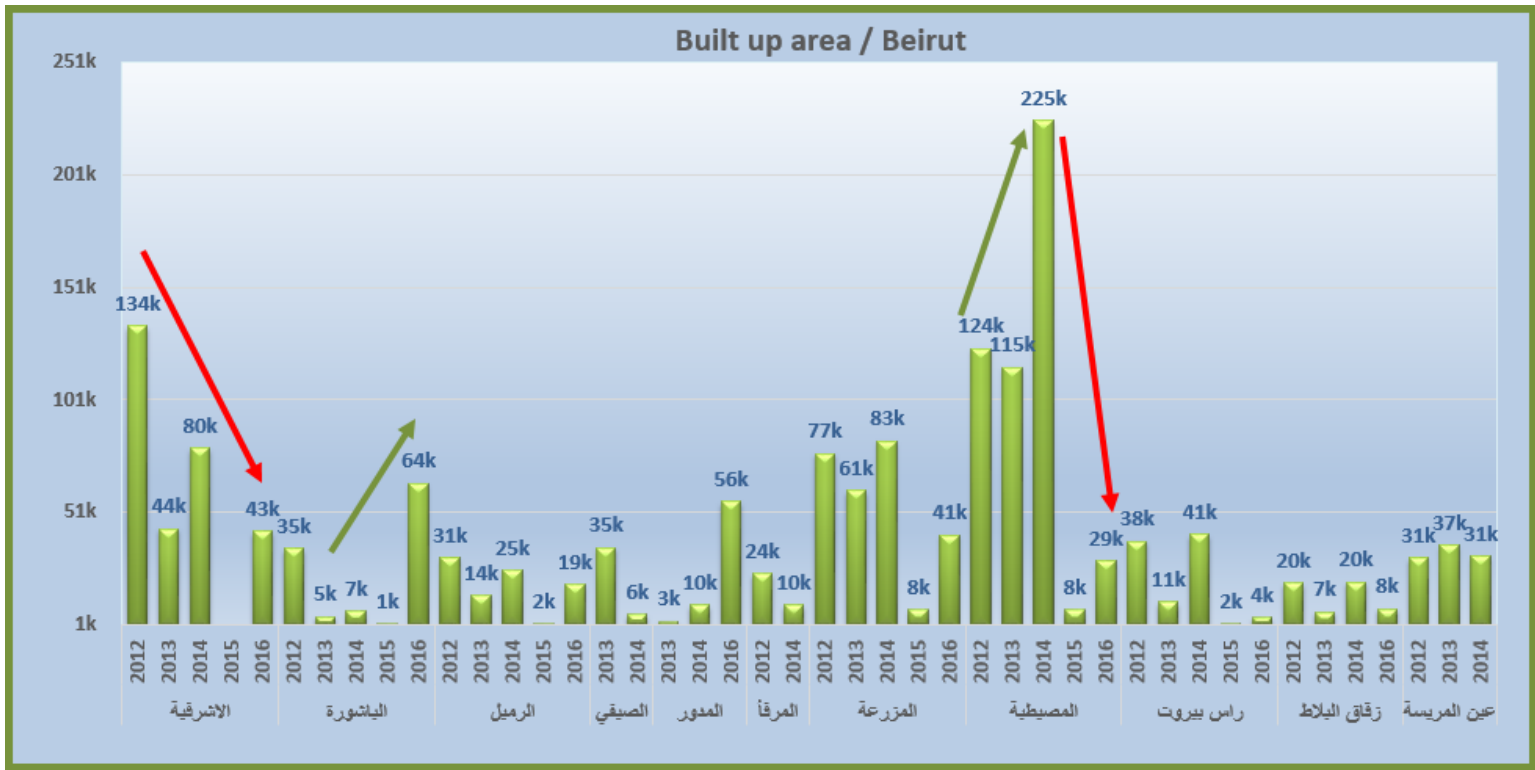
The graph above represents the total built up area in square meters of the different sectors of Beirut. Clearly, the highest built up area is in Mosaytbe followed by Achrafieh and Mazraa. The rest of the regions are within the boundaries of each other. It is clear that commercial and office buildings areas in the retreat due to the decrease in demand compared to residential sectors including Achrafieh and Mazraa. Let us take a deeper dive into the details in each of the 4 years.

## b. Beirut Build up Area by Year



The graph above represents the total licensed built up area in Beirut. Notice that the trend is downwards and hit a low in 2015 which is almost negligible compared to any of the other years. This indicates that Beirut has been severely hit in 2015 economically and further study is to be done to figure out why this was a rough year for developers in the Beirut area.

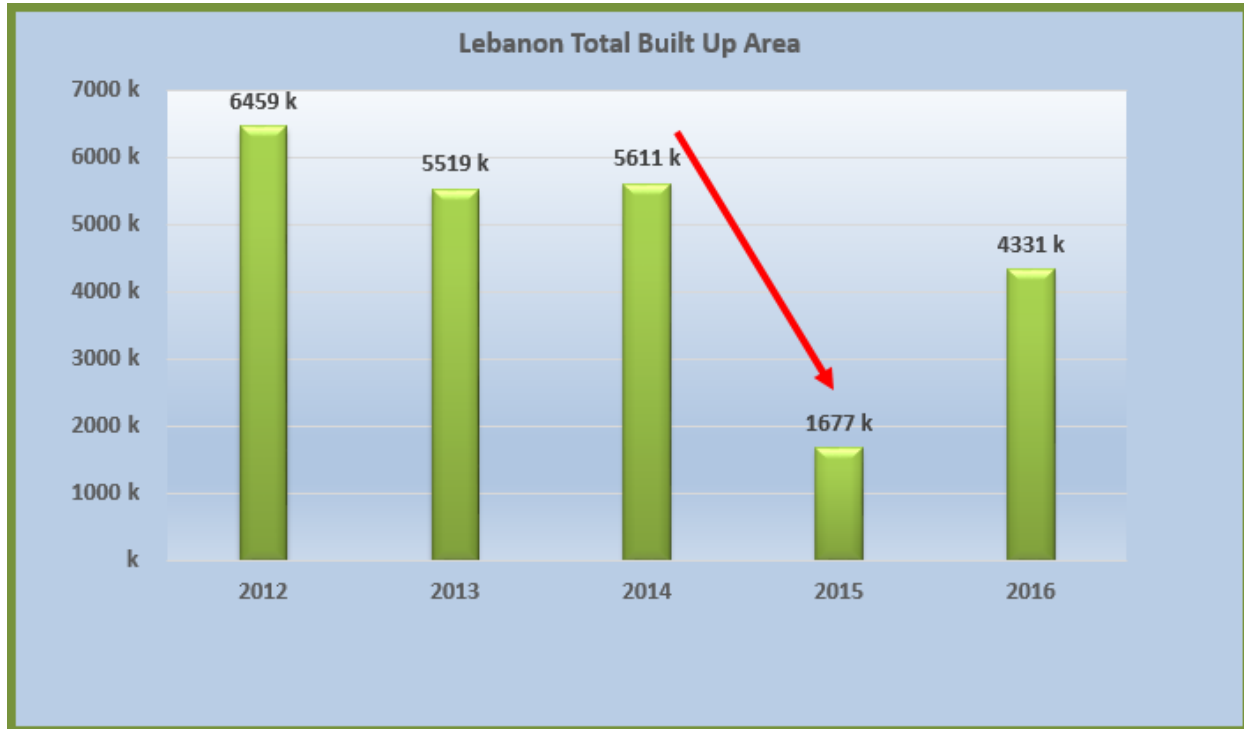
### c. Beirut Build up Area by sector and year



The graph above represents the built up area in Beirut its different sectors within the study interval i.e 2012-2016. Again, what is interesting is the sudden decline in built up areas especially in 2015 where the highest built up area is in Mosaytbe in 2014 with a value of 225,000 m<sup>2</sup>. It is noted that no building licenses were recorded in Saifi in 2015 & 2016, also in Marfaa in 2013, 2015 & 2016 and in Ain Mrayseh in 2015 & 2016. In Achrafieh & Ras Beirut no major areas were recorded in 2015, almost licenses not exceeding 2000 m2. This also supports the massive decline in building activities in 2015

## 2. Lebanon Analysis (2012 - 2016)

### a. Total Build up Area by year



The above chart represents the built up area in Lebanon by year. Again, what is interesting is the sudden decline in built up areas especially in 2015 which represents around 20% of other years indicating that the economy had a big hit in Lebanon in that specific year. Such a decline has to be analyzed compared to other economic figures in order to find solutions and incentives for the building industry.

**b. Built up areas above 200,000 m<sup>2</sup>**



The graph above shows the national regions that represent all licensed areas from 2012-to 2016 that are above 200,000 m<sup>2</sup>. Among the twelve regions it is noted that the most active sectors are:

Beirut : Msaytbe, Achrafieh and Mazraa

Aley's : Bchamoun, Kobbe and Aramoun

Baabda : Baabda and Chiah

Jbail : Blat and Halat

Maten : Dbayeh

Keserwan : Zouk Mosbeh

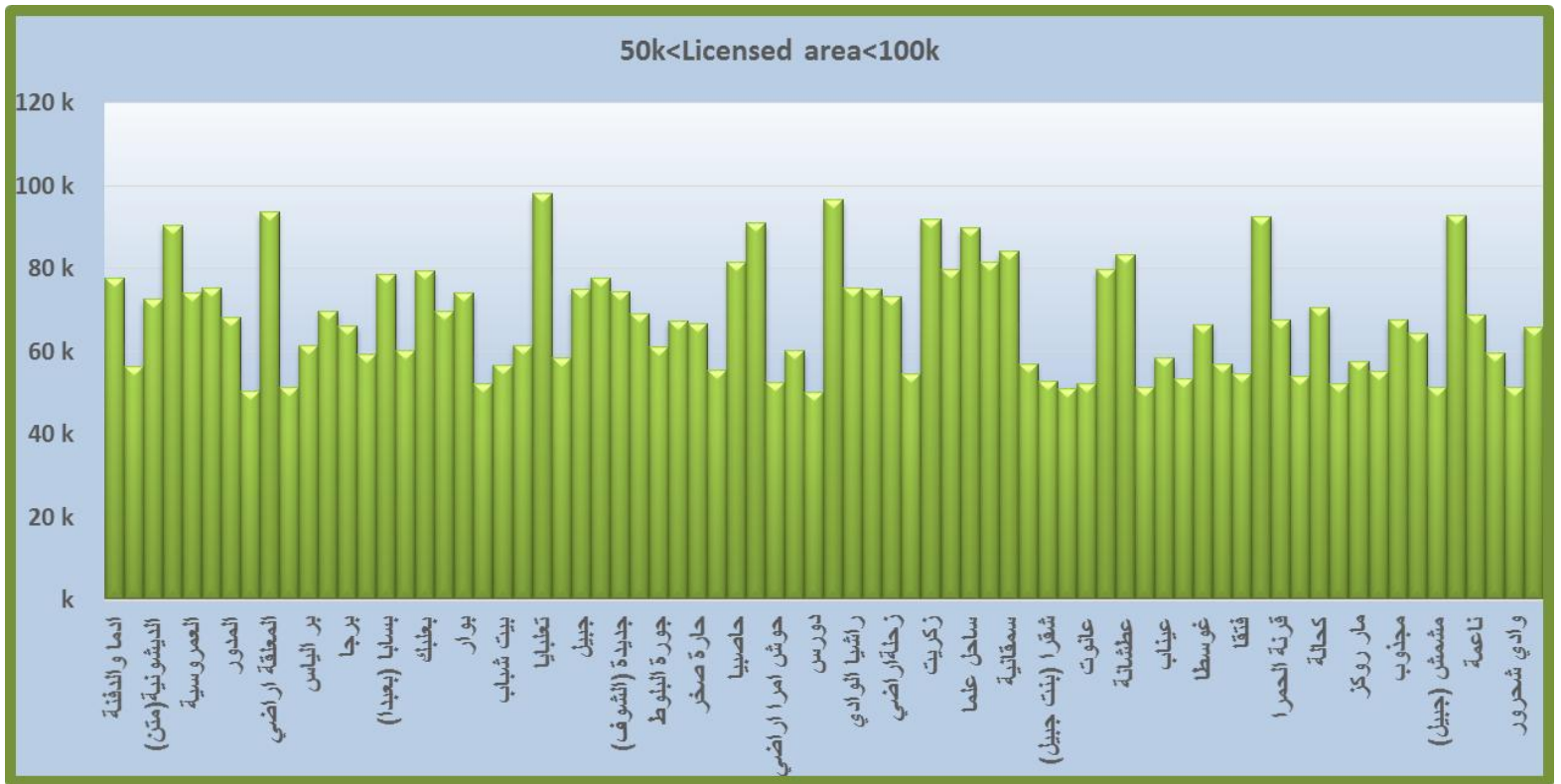


c. Areas between 100,000 and 200,000 m<sup>2</sup>



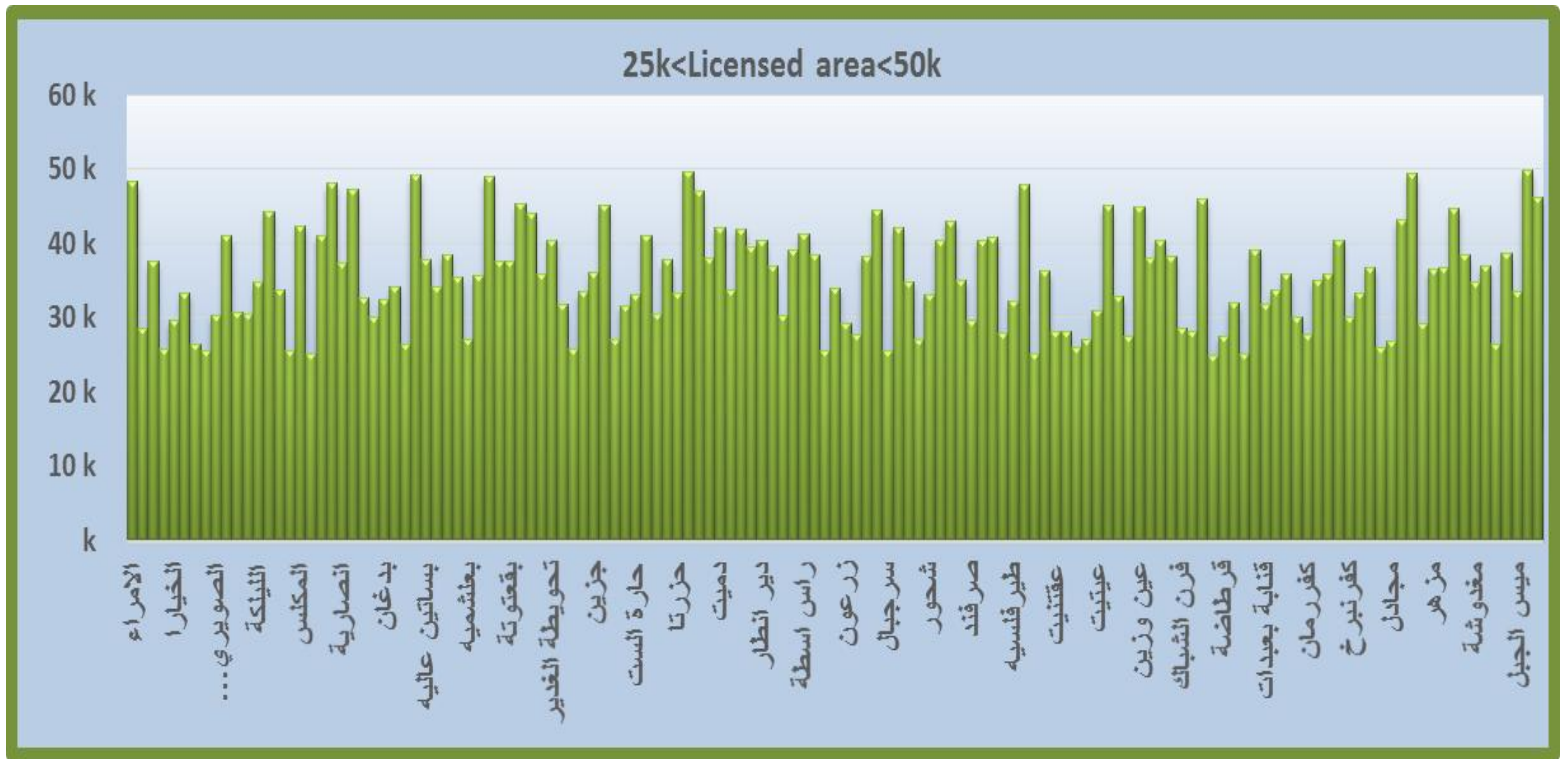
The above graph shows all regions as per recorded areas that are between 100,000 m<sup>2</sup> and 200,000 m<sup>2</sup>. It is noted that none of the regions mentioned in the Chart of paragraph b are included in this chart; also Note that they are mostly spread out all across Beirut and Mount Lebanon which is a good indicator that there is some steady flow of developments in Mount Lebanon, excluding Bekaa and North which are way underdeveloped and there is few to no appetite to increase developments in those areas.

d. Areas between 50,000 and 100,000 m<sup>2</sup>



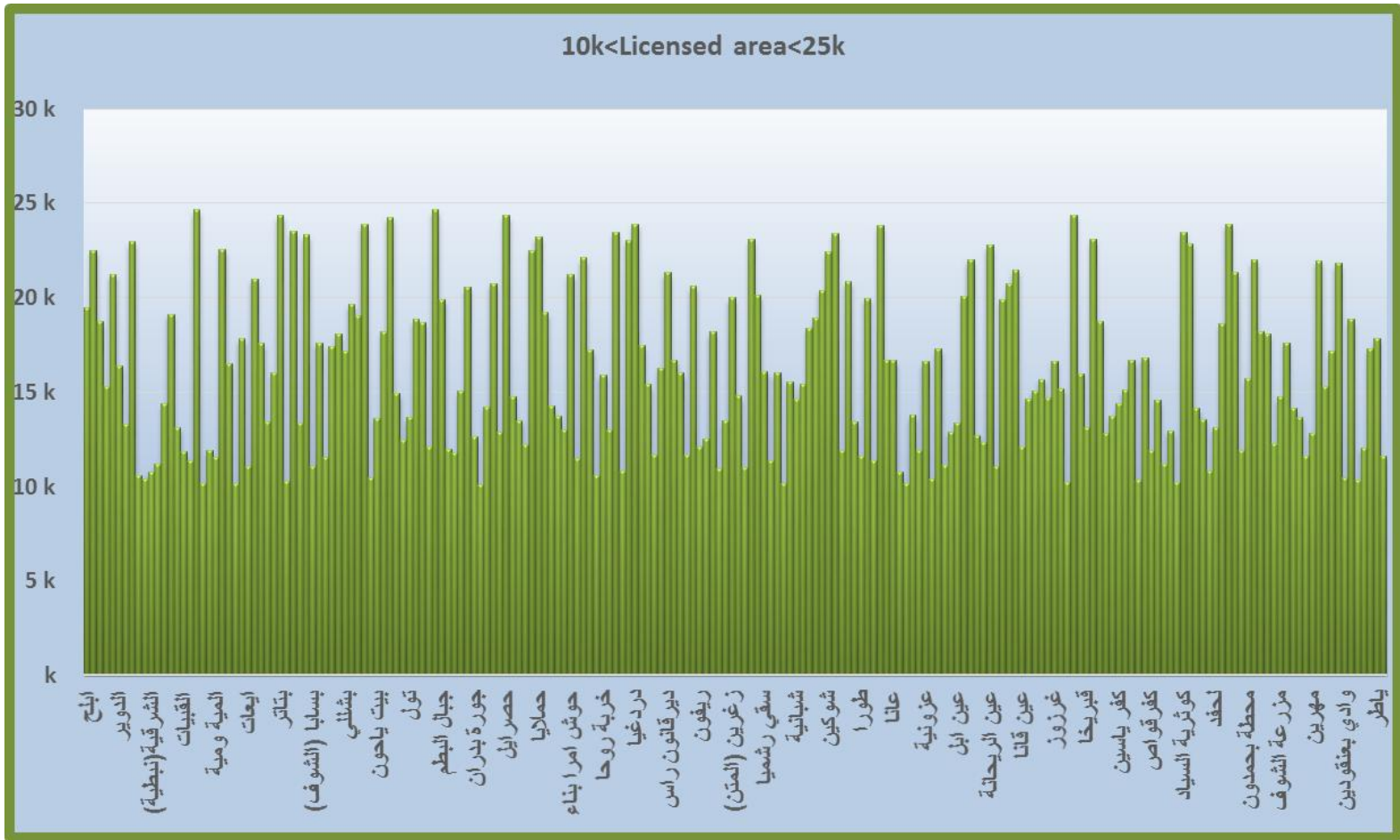
The graph above shows all areas that are between 50,000 m<sup>2</sup> and 100,000 m<sup>2</sup>. More areas are being counted such as Zahle region for which is a good sign of areas that are being developed and has the highest potential in terms of real estate investments. Still mount Lebanon represents the majority of the building activity.

e. Areas between 25,000 and 50,000 m<sup>2</sup>



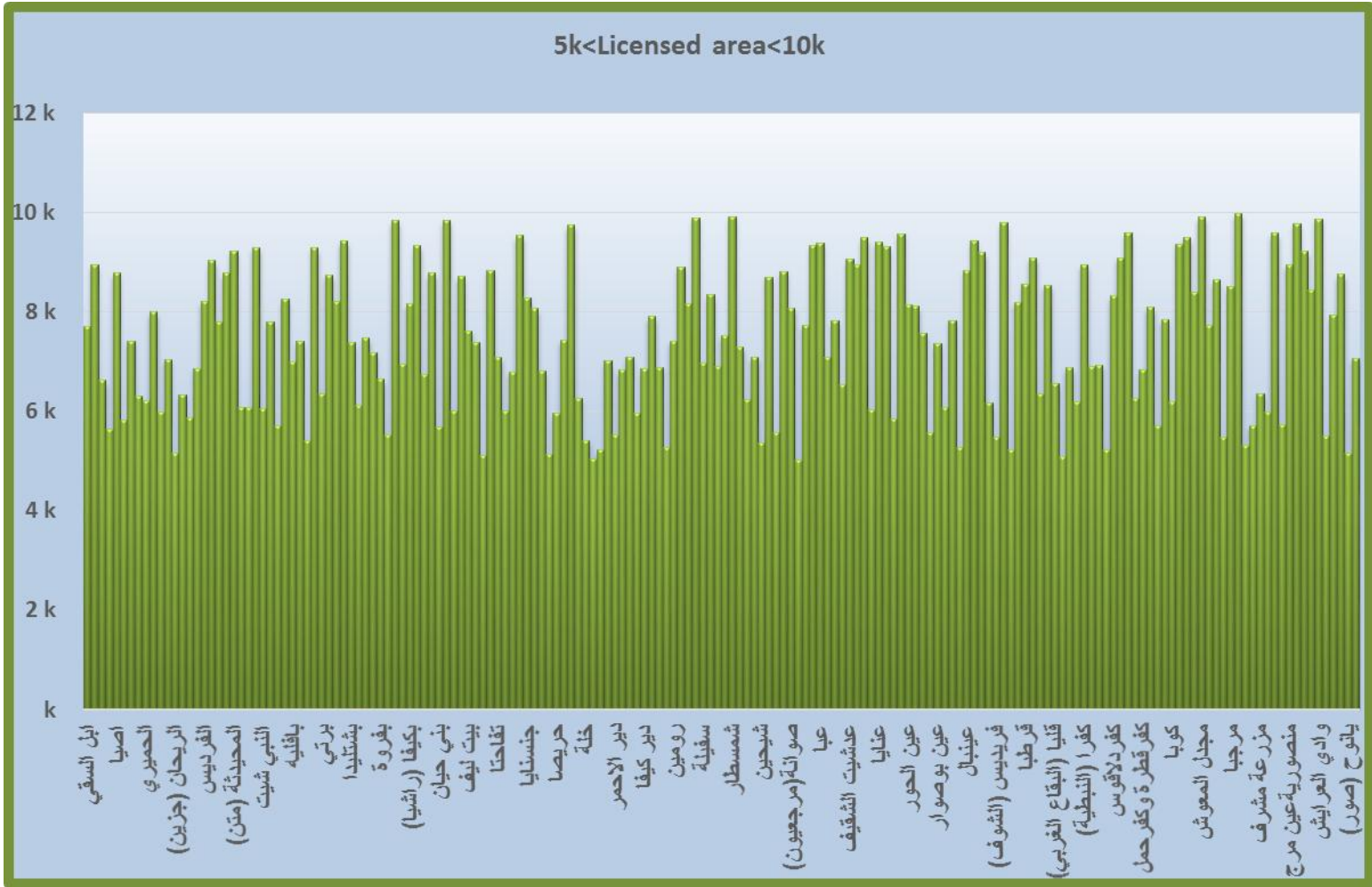
The graph above shows all areas that are between 25,000 m<sup>2</sup> and 50,000 m<sup>2</sup>. It is noted that regions in South and Nabatiye start to fall within this category. Other regions are note shown but are available upon request.

f. Areas between 10,000 and 25,000 m<sup>2</sup>



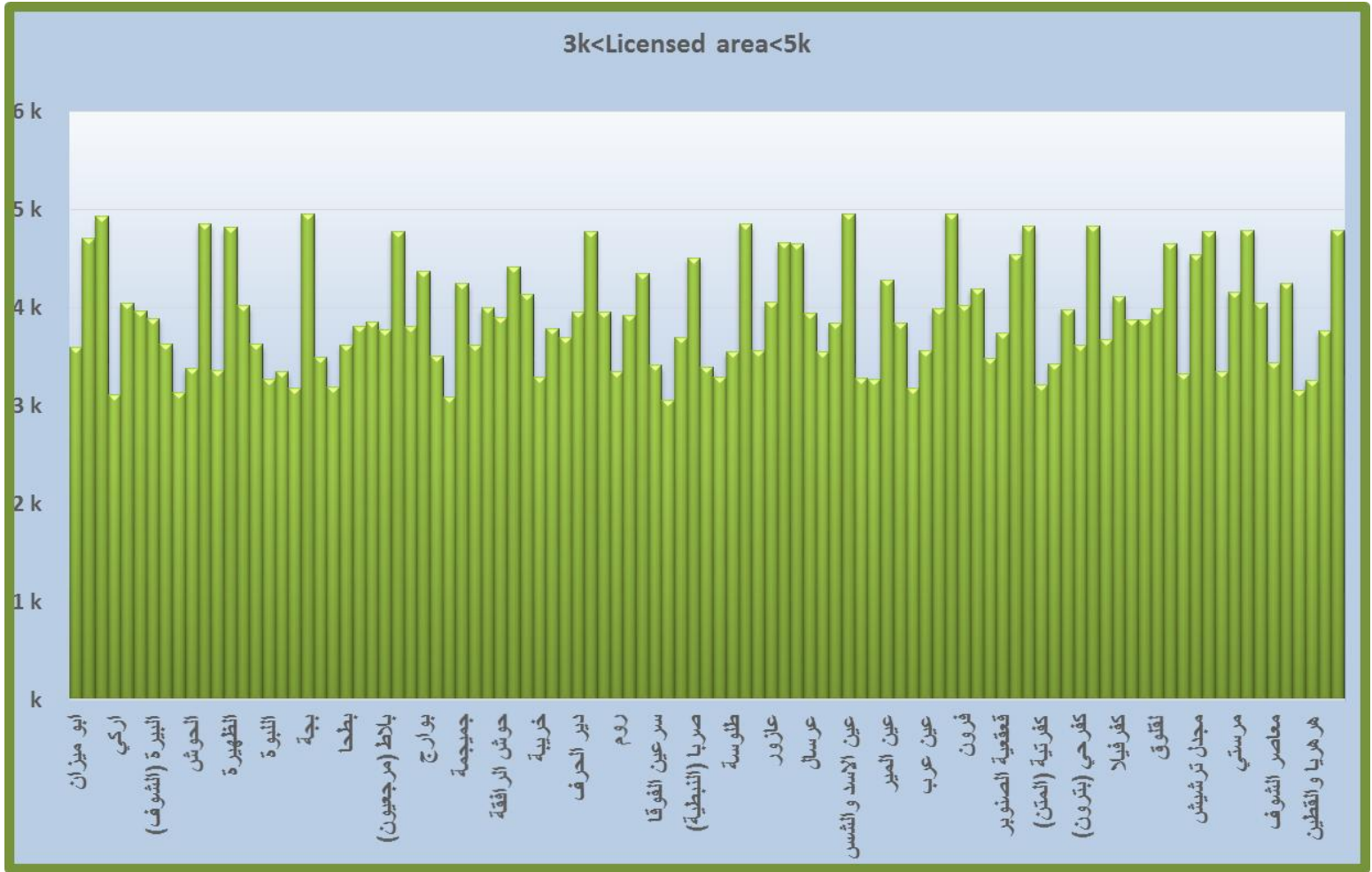
The graph above shows all areas that are between 10,000 m<sup>2</sup> and 25,000 m<sup>2</sup>. South and Nabatiye are major regions in this category.

g. Areas between 5,000 and 10,000 m<sup>2</sup>



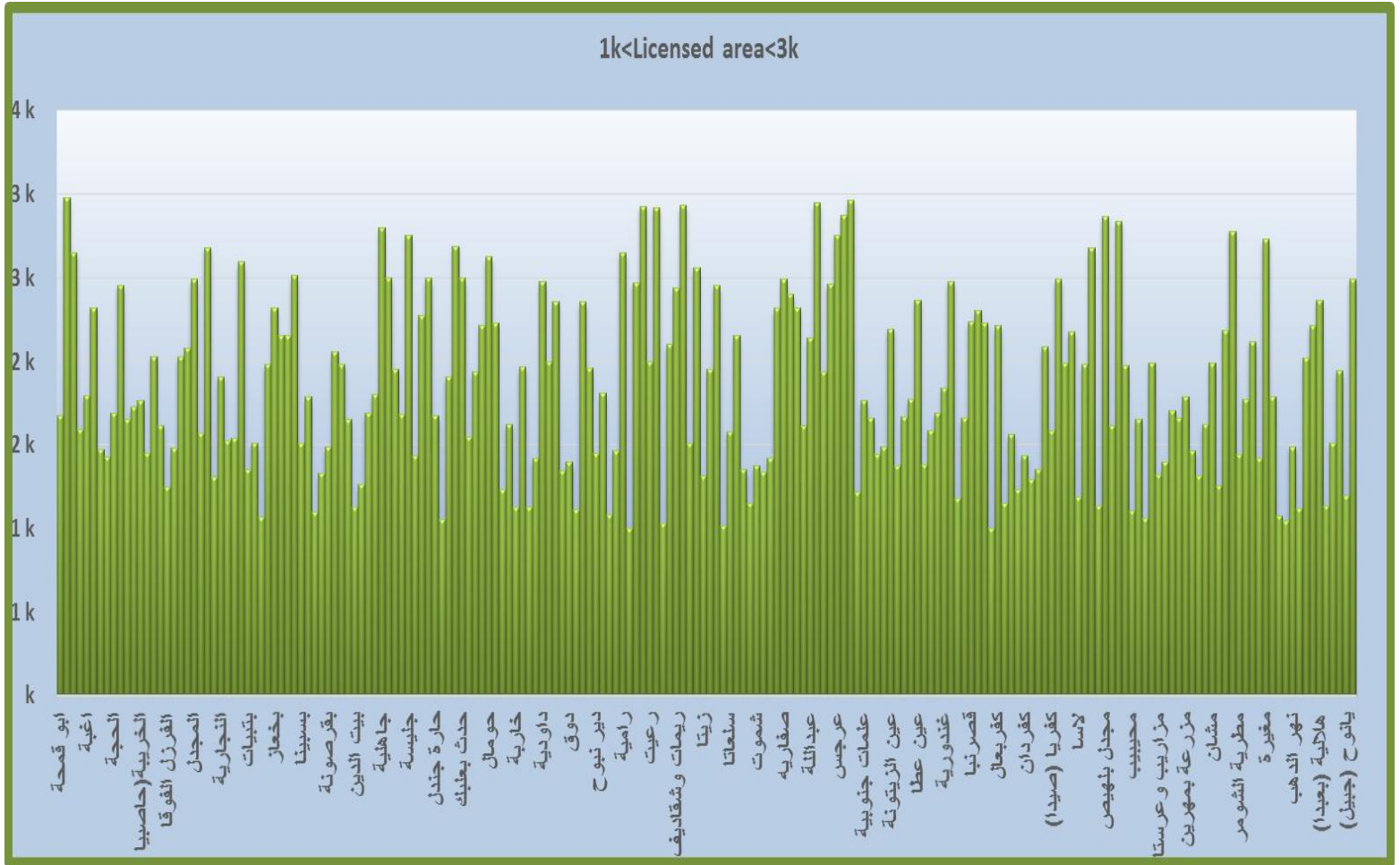
The graph shows all areas that are between 5,000 m<sup>2</sup> and 10,000 m<sup>2</sup>. Most regions are in the South

### h. Areas between 3,000 and 5,000 m<sup>2</sup>



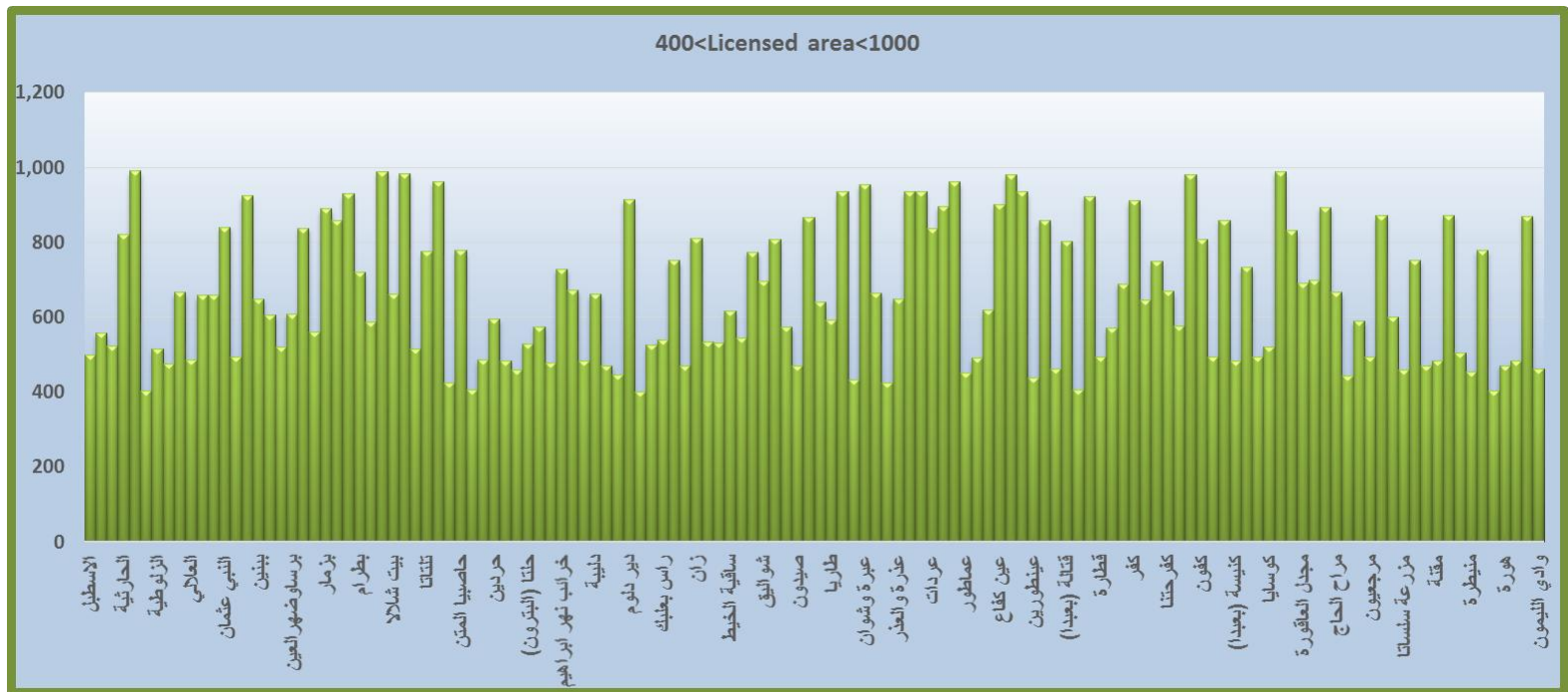
The graph shows all areas that are between 3,000 m<sup>2</sup> and 5,000 m<sup>2</sup>. Most regions are in the Bekaa and the South

**i. Areas between 1,000 and 3,000 m<sup>2</sup>**



The graph shows all areas that are between 1,000 m<sup>2</sup> and 3,000 m<sup>2</sup>. No major regions are included instead only small villages and low dense populated areas.

**j. Areas between 400 and 1,000 m<sup>2</sup>**



The graph shows all areas that are between 400 m<sup>2</sup> and 1,000 m<sup>2</sup>.



## IV. Conclusion

The data above shows at a high level the overview of the real estate market in Lebanon in 2012-2016. There was a severe downturn in 2015 but it is ticking back up in 2016 and hopefully will recover in 2017 completely to maintain the historical average. Regions in Bekaa Valley, South and North need a closer look by the authorities to work on infrastructure to enhance new projects in the area.

Hayek Group will add more analysis based on the statistical data provided by the different governmental agencies. We encourage future prospects to use this data as a benchmark for their analysis and real estate investments.

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